

1978 JUL 31

INTERNATIONAL

Herald Tribune

Published with The New York Times and The Washington Post

No. 29,694

PARIS, MONDAY, JULY 31, 1978

Established 1887

U.K. Balloonists Fail by 100 Miles To Cross Atlantic

BREST, France, July 30 (AP) — A French trawler plucked two British balloonists out of the Atlantic after they failed by little more than 100 miles to make the first balloon crossing between North America and Europe.

French maritime authorities here said that the trawler Elsinor picked up Maj. Christopher Davey and Donald Cameron and the gondola of their craft this afternoon.

The Elsinor began towing the gondola, rigged as a sailing vessel, toward the Brittany port of Concarneau, south of Brest, and was expected to arrive there early tomorrow.

The two men refused to board either British or French helicopters, saying with their 14-1/2-foot craft a land, the Maritime Prefecture put here. Mr. Cameron, 38, an aeronautical engineer, and Maj. Davey, 34, a Royal Tank Corps officer, came closer to making the crossing than any other balloonists, there have been 18 other attempts.

They had made fast progress after leaving Newfoundland Wednesday but were stymied by an eight-foot rent in the inner helium-filled bag of the hot-air balloon.

Although they jettisoned equipment and tried to carry on,

treacherous weather and unpredictable winds left them suspended over the ocean about 110 miles from France.

Exhausted from three sleepless nights, they ditched and vessels went to their aid. Earlier they had said that they would sail to England if the venture failed. The gondola was fully equipped as a sailboat.

Eddie Carey, a spokesman at the balloon's communications control center at Bracknell, England, said: "The crew ditched when and where they did because the conditions were favorable with waves only one meter high."

"They knew they could not rise higher to complete the crossing and the winds were tending to drift them out into the Atlantic. If the helium bag had not torn, which lost them gas, they would have walked it [made the crossing easily] and been home by now."

Mr. Carey said that Mr. Cameron radioed a few minutes after splashdown. "It was the state of the balloon that made us ditch."

The balloon landed at a point 47.57 degrees north, 07.28 degrees west, in the Atlantic, 1,779 miles (Continued on Page 2, Col. 4)



Travelers at Orly airport outside Paris took to the floor yesterday during French air controllers' slowdown while waiting for

possible departures. Charter flights at Orly and Roissy airports arrived 2 to 4 hours late and departed 10 to 16 hours late.

5,000 Stranded at Gatwick

Flight Slowdown Snarls Europe

PARIS, July 30 (UPI) — Passenger flights across Western Europe were delayed today for the third day by a slowdown of French air traffic controllers demanding more manpower and equipment and shorter working hours.

Thousands of passengers were delayed at the Paris airports of Orly and Roissy-Charles de Gaulle and at Nice, Lyons, Marseilles, Brest and Bordeaux. Delays were expected to continue until 7 p.m. Tuesday when the strike is scheduled to end. Flights that cross France also were held up for hours.

Regularly scheduled flights in and out of Paris were an hour late

on the average. Charter flights were arriving 2 to 4 hours late and departing 10 to 16 hours late.

It was the third weekend that the controllers have staged work-to-rule strikes and the worst yet because it is the biggest weekend of the year for French vacation departures.

Both Orly and Roissy were choked with waiting passengers and their families and friends. On a normal day, an average of 5,000 persons are at each airport at a time. For the last three days this number has tripled to 15,000.

Public seating accommodations were jammed, with some people sit-

ting up and others asleep and stretched out. Bars and restaurants ran out of cold drinks.

A tearful Frenchwoman who had waited with her crying daughter since early morning for a vacation charter from Paris to the south of France complained, "It's just inhuman."

An American woman who waited 3 1/2 hours for a flight from Nice to Paris said, "It was hell."

The controllers' union says that while air traffic has increased by an average of 11 percent a year since 1966, controller manpower has only gone up 5 percent a year and equipment only 6 percent a year.

The controllers, many of them women, are demanding that the 38-hour workweek be cut to 32 hours.

British Airports Snarled

LONDON, July 30 (AP) — Britain's airports were jammed during the weekend by 150,000 travelers, many of them U.S. vacationers trying to get home, grounded by the French air traffic controllers' slowdown and a stampede for curate transatlantic flights.

"It's going to get much, much worse," said a spokesman for the British Airports Authority, who predicted delays of up to 24 hours by tomorrow. Authority officials estimated that more than 500,000 travelers will be affected by Tuesday.

Three thousand flights a day normally are scheduled through French air space for the weekend that is traditionally the busiest period of the year for air travel in Europe.

Airlines reported delays of up to 15 hours for holiday flights within Europe, with flights to Paris, Lisbon and Spanish vacation regions the worst hit. Spanish air controllers have a restriction on flights by during peak holiday weekends.

Flights to Switzerland, Italy and Greece were delayed up to six hours, the authority said. Delays of several hours also were reported in major European airports.

The worst-hit airport was (Continued on Page 2, Col. 4)

Billy Martin

To Return to Yankee Helm

NEW YORK, July 30 (IHT) — During Old Timers' Day festivities at Yankee Stadium yesterday, with such Yankee legends as Joe DiMaggio and Mickey Vernon on hand, the public address announcer told the crowd that Bob Lemon would remain as manager through next season and become general manager a year later.

Then he added: "The manager in 1980, and hopefully for many seasons after that, will be No. 1, Billy Martin."

Mr. Martin trotted onto the field and received a seven-minute ovation.

He had tearfully announced his resignation as Yankee manager last Monday in Kansas City, the day after he blasted owner George Steinbrenner and outfielder Reggie Jackson, who has played a major role in the three-year "soap opera" co-starring Mr. Martin and Mr. Steinbrenner. For more on the latest episode, tune in to Page 13.

Guerrilla Bases Attacked

Rhodesia Launches Mozambique Raids

SALISBURY, Rhodesia, July 30 (AP) — Rhodesian troops launched a new series of raids today against guerrilla bases in neighboring Mozambique, the military command reported.

A brief bulletin said: "Combined operations headquarters announced that today security forces are launching self-defense operations against selected terrorist bases in Mozambique. These bases are occupied by ZANLA-Mugabe terrorists."

ZANLA, the Zimbabwe National Liberation Army, is the military wing of Robert Mugabe's Zimbabwe African National Union.

There was no immediate comment from Mozambique.

The raids followed sharply escalating casualties in the six-year-old war since the transition administration of white Prime Minister Ian Smith and three moderate black nationalists leaders called for a cease-fire in May.

There were reports of unusually heavy activity at the new Sarum military air base near the capital, Canberra bombers and Hunter jet fighters were reported taking off in large numbers.

Aimed at Guerrillas

The military said the raids were directed at guerrillas who ignored a May 2 transition government call for a cease-fire.

"Not only is there clear evidence that they intend to infiltrate into Rhodesia with the express purpose of overthrowing the Rhodesian government by murder, intimidation and other acts of terrorism, but also that internally based terrorist leaders have been recalled to receive similar instructions at these bases in Mozambique," the military bulletin said.

"Self-defense operations against externally based terrorists who oppose the interim government of Rhodesia and its stated promise of a true democratic future will be mounted and continue to be mounted," it added.

In recent weeks, guerrillas, mainly Mugabe followers, have crossed into Rhodesia from Mozambique, military sources say. The sources

Sadat Balks As U.S. Asks Sinai Parley

ALEXANDRIA, Egypt, July 30 (UPI) — President Anwar Sadat today rejected a U.S. call for resuming peace negotiations with Israel soon, insisting the Jewish state should agree in advance to the principle of evacuating all Arab lands occupied since 1967.

He described the Israeli position as negative, "moving backward not forward," and indirectly urged the United States to submit its own proposals for breaking the deadlock.

Mr. Sadat spoke here to reporters after a two-hour meeting with the U.S. Middle East envoy, Alfred Atherton, who arrived Friday to persuade Egypt to join a projected round of peace negotiations with Israel early next month in the Sinai desert.

"Really, I do not favor Sinai now," Mr. Sadat said. "But if it is agreed upon officially that land and sovereignty are dropped out of any compromise, and Israel is ready to sit to discuss peace in all its aspects, especially the security one, then we shall be ready to sit down for discussions anywhere. . . . We are not ready before this is declared to sit with the Israelis."

Compromise Decried

"We are ready, whenever there is a complete agreement upon the fact that there will be no compromise on land or sovereignty; we are ready to go to whatever anyone can imagine or not imagine," he said.

What Mr. Sadat, in effect, demanded was a prior Israeli commitment to evacuate all the Arab territories seized in the 1967 war, Israel has rejected this in the past, and a softening of the Israeli position seems unlikely.

Diplomatic sources said if both Egypt and Israel stuck to their guns, the United States would have to step in with compromise proposals to break the deadlock. Otherwise, the peace effort could collapse totally.

Asked whether he wanted Washington to come forward with its own peace proposals, Mr. Sadat said: "I do not want to embarrass my friend, President Carter, but as I stated during my first visit to the United States, America should act

as a full partner, and not as a mediator."

Egypt has insisted, since the abortive Leeds Castle conference earlier this month, that further face-to-face negotiations could not take place unless Israel presented "new and positive" ideas. But Mr. Sadat said the latest developments in the Israeli position were negative, not positive.

He listed two "new and negative elements" in the Israeli position. First, a declaration by Israeli Foreign Minister Moshe Dayan at the Leeds Castle conference that there is "no substitute to territorial compromise," and Prime Minister Menachem Begin's refusal to restore to Egypt "a single grain of sand" except in return for reciprocal Egyptian concessions.

As the peace efforts ran into difficulties, Crown Prince Fahd of Saudi Arabia was arriving in Alexandria reportedly to urge a reconciliation between Mr. Sadat and the Arab states that oppose his peace drive.

Beirut reports said the prince will later visit Syria and Jordan. Both Saudi Arabia and Jordan privately supported the Sadat initiative. But Syria is a member of the "rejection group" and recently made a reconciliation with Mr. Sadat conditional on a termination of his peace efforts.

Israel Ready for Talks

JERUSALEM, July 30 (AP) — Israel said today it was ready for further peace talks even though Egypt is refusing to resume negotiations unless Israel changes its position.

Mr. Begin's Cabinet held a 3 1/2-hour meeting but cabinet secretary Arieh Naor said no new decisions were taken on the Middle East situation. Instead, Mr. Begin and Foreign Minister Dayan reported on the current situation, and a special meeting was scheduled for Aug. 7 when U.S. Secretary of State Cyrus Vance is expected here.

"We hope that, in the course of the visit of Mr. Vance, the so much talked-about conference in the Sinai will take place," Mr. Naor said.

There was no immediate reaction to President Anwar Sadat's statement in Alexandria that Israel would have to alter its negotiating stance before there could be new talks, which are expected to be held in the American watch station in the Sinai Peninsula.

Mr. Atherton is due here late tomorrow or Tuesday from Egypt, and Mr. Naor was asked if Israel expected any messages from Mr. Sadat. "Of course, we are waiting for new ideas from Cairo, instead of the old concepts," he replied.

U.S. officials said a central difficulty in the latest negotiations was that Israel and Egypt had widely differing perceptions of what the other side had conceded so far.

China Envoys Invite Bergland to Peking

WASHINGTON, July 30 (UPI) — A Chinese delegation has invited Agriculture Secretary Bob Bergland to visit China later this year.

Six members of a 26-member delegation of Chinese agriculture officials visiting the United States met with Mr. Bergland Friday.

At Ministers' Conference

U.S., Soviet 'Interference' Is Assailed by Nonaligned

BELGRADE, July 30 (UPI) — The conference of foreign ministers of nonaligned nations today ended six days of debate by condemning Soviet and U.S. interference in the Third World, but it failed to get Cuba to agree to end its involvement in Africa.

The conference's political declaration confirmed that the sixth summit meeting of nonaligned nations, which include two-thirds of the world's countries, will be held in Havana Sept. 3 to 7 next year.

The issue of foreign interference dominated the conference. There were mutual accusations between pro-Cuban nations and those who asked that next year's summit be taken away from Havana because of Cuba's alignment to the Soviet Union.

Although the 86-nation conference approved of Havana as the next summit meeting site, conference sources said that as many as 30 countries might boycott the meeting.

The declaration said that the non-

aligned movement, formed about 20 years ago for developing countries fighting free of both power blocs, should fight against imperialism, a reference to the United States and other Western countries, and "all forms of foreign domination and hegemony," a reference to Soviet attempts to gain influence over other states.

It called for withdrawal of foreign military forces and removal of all foreign bases and denounced "interference and pressures, either economic, political or military."

The declaration said that deteriorating relations between the big powers and continuation of a nuclear-arms race were the main dangers to détente.

The conference, attended by 119 delegations — 86 members, one country with special status, 20 observers and 12 guests — urged the nonaligned nations to resist inside and outside interference and efforts (Continued on Page 2, Col. 6)

SEC Says Boeing Hid Foreign Payouts of \$52 Million

By Judith Miller

WASHINGTON, July 31 (NYT) — The Securities and Exchange Commission has accused the Boeing Co., the world's largest manufacturer of commercial jetliners, of failing to disclose at least \$52 million in questionable foreign payments.

While neither admitting nor denying the SEC's charges, Boeing agreed Friday to a court-ordered settlement barring the company from further violations of the anti-fraud, reporting and proxy provisions of U.S. securities laws.

The SEC complaint did not detail the payments to foreign officials as bribes or kickbacks. Nor did the agency state that the commission payments were illegal.

Instead, the agency accused the company of failing to disclose these payments to shareholders, alleging that this violated the disclosure provisions of securities laws.

The payments were allegedly made to seven foreign government officials, officers of foreign airlines, sales agents and consultants in connection with the sale of aircraft.

Three-Year Probe

The company, supported by the State Department, fought the SEC's move to disclose the names of payment recipients, the amounts involved and the countries in which the payments were made.

As part of the settlement, however, the company filed a report disclosing the amounts of some payments and countries involved but omitting the names of the recipients.

In addition, Boeing agreed to form a special committee to review the company's internal investigation of the payments and to file a report of its findings with the commission.

The SEC's complaint charged Boeing with making, from 1971 to 1977, \$27 million in payments to seven foreign government officials.

The complaint states that Boeing's senior officials had a "direct role in sanctioning the 'undisclosed course of business.'"

Kuwait Commission

In one case, the company's report says, J.E. Prince, then a Boeing senior vice president and director, approved a \$300,000 commission through a Liechtenstein corporation to a Kuwaiti businessman who was also an officer of an airline owned by the government of Kuwait.

The company's report disclosed that Boeing paid more than \$15

million in commissions to two Saudi Arabian government officials.

Although the company's report does not name the recipients, government officials familiar with the transaction said that the consultant described as "an adviser to senior

Cosmonauts Go

For Space Walk

MOSCOW, July 30 (UPI) — The Soyuz-29 cosmonauts Vladimir Kovalenok and Alexander Ivanchenko, emerged from the Soyuz-6 space station yesterday at 6:55 a.m. for a space walk of 2 hours and 5 minutes, according to Tass and the Moscow radio.

Mr. Ivanchenko, the engineer, went down the side of the craft, unbolting tiny meteorite collectors and test panels of various plastics, glass and metals that may be used in construction of future space-

ships, which had been fixed to the side of Soyuz since it was launched Sept. 29. He also attached some new devices for the measurement of space radiation. Mr. Kovalenok, the commander, filmed the operation with a television camera, Tass said.

Tass also said the space walk successfully tested new semirigid spacesuits.

government officials" is Kamal Adham, the former chief of Saudi Arabian intelligence.

The report states that "a businessman who also serves as an official of the United Arab Emirates" received a \$6.2-million commission payment through a Swiss bank account for his role in financing the sale of \$103 million in aircraft to Syria. The individual is not identified, but previous news accounts and a government official identify the recipient as Mohammed Mahdi al-Tajer, the UAE's ambassador to Britain.

The company also disclosed \$7.3 million in commissions on \$223 million in sales to Iran to "a consultant who for a number of years was related by marriage to a member of the royal family."

The company reported that it had paid \$8.7 million to two Liechtenstein corporations for the sale of planes to Egypt. The company said that it believed the payments were needed in connection with the financing of the sale but said that it did not know who ultimately arranged the financing.

Furor in Cairo

In addition, the company paid \$900,000 to another Liechtenstein account to "a businessman and an official of the United Arab Emirates" to settle a dispute over the financing. In 1976, rumors of

payoffs in connection with the aircraft sale touched off a furor in Cairo and a parliamentary investigation of the sale.

Commission payments were also reported in connection with sales of Boeing aircraft to Nepal, Greece, Honduras, South Korea, Lebanon and other countries. Only one of the countries where payments were made to a government official is not identified.

The report says only that \$3.3 million in commissions was paid to a member of the ruling political party of the country who became a government official after the initial sales were made.

Approximately \$6 million in payments were made to four individuals or entities controlled by them who were officers in foreign airlines, the SEC complaint says. In addition, the SEC charged the company with disbursing at least \$19 million to various consultants without adequate records and controls to insure that the payments were made for the intended purpose.

The company's payments are still being investigated by the Justice Department and the Internal Revenue Service. In addition, the SEC has been instructed by the court to review the report filed by the special committee the company has formed to investigate the company's previous investigation of the payments.

Sinai's Dull 'Capital'

Israel Holds Tightly to El Arish

By William E. Farrell

EL ARISH, Israeli-occupied Sinai (NYT) — In recent weeks, use in Israel of the word "gesture" has been in reference to this unpopulated desert town, which bakes unrelentingly in a summer torpor that can make even camels sluggish.

President Anwar Sadat of Egypt had remarked at a recent meeting in Austria with Israel's defense minister, Ezer Weizman, that he would appreciate the return of El Arish to Egyptian administration as a "gesture" that could help break the stalemate in peace efforts.

The pros and cons of this were debated in Israel until Prime Minister Menachem Begin, who has been called some unpleasant names by Mr. Sadat lately, said "no" to the

leader. "Nobody can get anything for nothing," Mr. Begin added. Some commentators implied that Mr. Sadat was asking for traditional Middle Eastern bakshesh. There were suggestions that Israel should make the "gesture" since, after all, losing El Arish would not be losing very much.

El Arish, population 30,000, has long been regarded as the capital of the sparsely populated Sinai Peninsula. The town and the rest of Sinai were captured by the Israelis during the 1967 Middle East War.

About 50 Telephones

For now, the town will stay under Israeli administration while diplomats and political leaders continue chipping away at the wall of enmity between Arabs and Israelis. Besides the "gesture" aspect, it was rumored that El Arish was the

place where the next round of Israeli-Egyptian talks would be held. That may still happen, but it is difficult to see why.

Many of the town's fly-specked buildings still bear the bullet scars of 1967. There is so little to do that a stranger ambling along the main square, where men lazily sipped coffee in whatever shade there was, quickly drew a knot of local people to stand and stare.

There are no hotels. There are about 50 telephones, which sometimes work. There is a friendly local telephone operator, who has never placed an overseas call. The one place to eat, so the sign says, is the Helton Restaurant — presumably derived from "Hilton." The place is mainly a long table and it serves very good broiled fish fresh from the Mediterranean, garnished with a local sauce so hot that it can make speech impossible.

Locked in Monastery

One school of thought has it that the hot sauce and the lack of amenities could speed up the peace process by depriving negotiators of their accustomed comforts, on one hand, and of chances to use their oratorical gifts, on the other.

A leading exponent of this school is Mayor Elias Freij of Bethlehem, who some time ago urged that the negotiators be locked up in St. Catherine's Monastery at Mount Sinai, in a room filled with monks' skulls, until they reached a settlement.

Indeed, Mr. Sadat suggested to Defense Minister Weizman that Israel might also yield Mount Sinai. Mr. Begin said "no" to that, too.

Smuggling was always a major occupation here and still is. Questions to local residents about what they thought of their town's being returned to Egypt met invariably with a laconic, "Whatever Allah wills." But they were ready to talk excitedly about a big cache of hashish recently taken from the sea.

The hashish, valued at \$500,000, was said by the police to have been smuggled from Lebanon. It was sealed in tire tubes fastened to heavy bags of salt and dropped from a ship.

Convict Settlement

When the salt dissolved, the tubes popped to the surface to be picked up by fishermen. But someone tipped off the police and the other day they proudly showed their haul — round packets of hashish labeled "Sinai Sheikh" in Arabic.

According to the book "Three Deserts" by C.S. Jarvis, British governor of Sinai in the 1930s, El Arish started as "a convict settlement in the early days of Egypt." Since then practically every nation in the Near East has contributed specimens, "owing to struggles falling out from pilgrim caravans and invading and retreating armies, or, as someone rather vulgarly put it, 'the town is populated by all those who had not the guts to go on.'"

Crusaders dropped in. Napoleon's troops stayed for nearly all of 1799. In the early 19th century, the Turks came and lingered. According to Mr. Jarvis, there is reason to believe that Australian soldiers here in the World War II years were responsible for the presence today of some of the "lusty young men one sees in the town."

Mr. Jarvis, looking down from the heights of the British Empire, found the residents of El Arish "sturdy" with a "bent for hard work," but an "extraordinarily crooked, suspicious outlook on life generally."

3 Thai Police Killed

In Clash With Rebels

BANGKOK, July 30 (AP) — Three border patrol police were killed and four were wounded when a group of Communist insurgents raided a border outpost in a southern province on Friday, the police said yesterday.

They said the insurgents drove into the outpost in Surat Thani province and fired on officers on duty. Police said most of the patrolmen had gone into the Surat Thani district town to attend a meeting. The insurgents set fire to one of the buildings before retreating into the jungle.



CHEQUERS GAME — British Prime Minister James Callaghan and his wife Audrey get in a few kicks for their 40th wedding anniversary with their grandson Tobin Hubbard, 8, at prime minister's country residence at Chequers.

2 U.K. Balloonists Fail In Bid to Cross Atlantic

(Continued from Page 1)

from the takeoff point. The Guinness Book of Records lists the longest flight by a hot-air balloon as 1,869.9 miles — over Europe in 1914 by a German, H. Berliner.

Another Bracknell spokesman, John Sayer, said that Maj. Davey and Mr. Cameron refused a Royal Navy offer to be picked up by a Royal Navy helicopter because they apparently wanted time to rest before stepping on land.

Slowdown Ties Europe

(Continued from Page 1)

Watwick, 20 miles south of London, which handles most of the charter flights in and out of London.

The BAA reported more than 5,000 stranded there, most of them U.S. tourists trying to get home from European vacations on cheap standby tickets, which are as low as \$59 (\$109) one-way on Laker's Skytrain service to New York.

More than 10,000 persons were scheduled to leave during the weekend on 500 flights. But Peter Blake, the Gatwick duty manager, warned that they face delays of at least 12 hours.

Many of the travelers have been waiting for five or six days in the scramble for the tickets as they become available. They camped out in fields beside the runways, and a small tent city had sprung up yesterday as the temperatures soared and disgruntled, frustrated travelers decided to camp. Young Americans played guitars while others sunbathed on the grass drinking beer.

At Heathrow, some travelers started playing cricket in a terminal to pass the time. The game was scrapped when the improvised ball of tightly packed paper hit a French passenger on the nose. Despite the heat, the delays and frayed tempers, police reported surprisingly little agitation among the travelers at Heathrow.

Larry Snyder, 27, of New York, said, "If this had happened anywhere else there would have been riots. I know the English have always been renowned for fair play, but it's nice to see that Americans can do it, too."

In the two-block-long Skytrain line in the Victoria district, where 1,400 waited for tickets, Linda McLean prepared for her fourth night on the sidewalk. She said: "I tell you I've been here so long the guy next to me, a professor from MIT, had taught me French."

Quakes Hit Area Of Central Italy

ROME, July 30 (AP) — A series of medium-strength earthquakes shook a wide area of central Italy early today, including the towns of Orvieto, Terni, Perugia, Narni and Spoleto, causing panic among residents and slight damage to some buildings. There were no reports of injuries.

The strongest of the shocks, recorded at 7:20 a.m., were felt in the northern sections of suburban Rome. The tremors, police said, had as an epicenter an area between Terni and Spoleto, about 75 miles north of here. They said the strongest tremor read between 4 and 4.3 on the open-ended Richter scale.

It was reported that many residents in Narni, a medieval town of 25,000 a few miles south of Terni, fled in panic into the open. Officials said there was slight damage to old buildings in Narni and Terni.

Maldivian in China

HONG KONG, July 30 (UPI) — Moomina Ismail, minister of health of the Maldives, arrived in Peking today, the first senior official of her country to visit China, the Chinese news agency reported. She was greeted at Peking airport by Vice Premier Ku Mu and Chinese Minister of Health Chiang I-chen.

Albanian Opportunity Seen

U.S. Weighs Overture to Tirana

By David Binder

WASHINGTON, July 30 (NYT) — The Carter administration is considering whether to attempt to open discussions with Albania, U.S. officials say.

The time may be ripe for such an approach — the first in more than five years — the officials said last week, as a result of the announcement by China on July 13 that it had halted military and economic aid to its former ideological ally and was withdrawing all of its technical assistance personnel, said to number more than 500.

The move by China, ending a relationship that began in earnest in 1961, when Albania broke with the Soviet Union, leaves the Tirana government economically stranded, the U.S. specialists said.

While Albania may hope to acquire aid from a handful of Western trading partners — France, Italy or Greece — none of these could be expected to fill the gap left by the Chinese, the administration officials said, since China had supplied more than \$5 billion worth of economic and military aid over the years and represented Albania's largest trading partner, accounting for a third of the \$300-million volume in two-way exchanges.

The officials said that despite continuing attacks by the Albanian leaders on the "social imperialism" of the Soviet Union, they might feel compelled to swallow pride and try to resume a relationship with the Russians. Officials informed on the military-political aspects of the Albanian situation said that in recent weeks the Soviet Union has at least hinted at such a possibility by conspicuously siding with Albania in its dispute with China.

Concern of Specialists

The concern of the specialists is that the Soviet Union would demand, and could receive, as a price for resuming aid the right to base Soviet warships at Samsun, at the mouth of the Bay of Varna, as it did before 1961. A naval force there could dominate the Adriatic, the specialists said, lying as it does only 45 miles from the Italian coast, and this could substantially alter the strategic picture in the Mediterranean. The differ-

U.S., Russia Assailed

(Continued from Page 1)

to undermine unity of the movement.

On bilateral conflicts inside the movement, the declaration expressed concern and urged countries involved — such as Cambodia and Vietnam, Ethiopia and Somalia, Ethiopia and the Sudan, Gabon and Benin, Morocco and Algeria — to solve their disputes "through a peaceful way exclusively."

On other issues, the conference suggested that the movement can help the countries in conflict by offering to negotiate problems through "ad hoc groups."

Condemned the United States and Israel for what it said was their disrespect of the rights of the Palestinian people, and said the Palestinian issue was the core of the Middle East problem.

Proposed that the UN Security Council be convened soon to impose an oil embargo on South Africa, and denounced economic, military and nuclear cooperation by France, Britain, the United States, West Germany, Israel and Japan with what it called the "racist South African regime."

Urged the unification of Korea without foreign interference and called for a complete withdrawal of all foreign troops and foreign military bases from South Korea.

Supported an earlier non-aligned declaration on the Indian Ocean as a zone of peace.

Criticized the United States and other nuclear powers for "unacceptable monopolistic policy" and asked for a normal transfer of nuclear technology.

Called for mutual cooperation between the non-aligned countries and Third World nations outside the movement.

The conference declaration became the first non-aligned document to refer to the human-rights issue. It said that freedom of an individual is inseparable from the rights of peoples.

However, it seemed to be condemning U.S. criticism of Soviet human-rights violations when it said that the human-rights issue should not be used as a political instrument of the big powers.

Originally, the conference was to have ended yesterday but it was extended by a day to give time to the 83 speakers, and time to the committees to reach a consensus on many issues and to word declarations.

Gas Cloud in Florida Sends 34 to Hospital

JACKSONVILLE, Fla., July 30 (AP) — A plume of gas billowed out of a ruptured tank car, driving more than 1,500 people from homes and offices in a 12-square-mile section.

Thirty-four persons were treated in hospitals for exposure to fumes from anhydrous hydrochloric acid, but nearly all were released and officials said none seemed seriously harmed. Nineteen of the injured were firefighters. The cloud, which went 200 feet into the air, formed Friday when a workman opened the dome of the tank car at a chemical plant and found that a valve had burst.

ence between now and 1961, they added, is that 17 years ago the Soviet Union was an inconsiderable naval power, while it now possesses potent surface and subsurface forces. Although the break between Albania and China has been over six years in the making, and perhaps inevitable for the last 12 months, the sharpness and finality of it seems to have caught the Albanian leadership by surprise. The Albanian press agency and the Tirana radio have reported the breach, but there has been no official response from Enver Hoxha, secretary-general of the Communist Party, or his senior aides.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

policy on the material level focus on what it alleged was inadequate assistance since 1973. On the political level it principally objected to China's steadily improving relations with the United States.

The Chinese, for their part, have now accused the Albanians of various practices at various construction projects, including a steel mill and oil refineries, and of industrial espionage, and of having stolen Chinese secrets. Politically, the Chinese expressed sharp resentment at Albanian attacks on Maoist principles, on China's "opportunism" in concerning with the United States and, most of all, on China's negative attitude toward Vietnam.

Albania's objections to Chinese

WEATHER

ALGAEV	26	fair	MADRID	21	cloudy
AMSTERDAM	26	fair	MILAN	20	rain
ANKARA	27	fair	MILWAUKEE	20	rain
ATHENS	28	fair	MONTREAL	22	fair
BELGRADE	28	fair	MOSCOW	22	fair
BELGRADE	28	fair	MUNICH	26	fair
BERLIN	28	fair	NEW YORK	26	cloudy
BRUSSELS	28	cloudy	OSLO	26	fair
BUCHAREST	27	fair	PARIS	27	rain
BUDAPEST	27	cloudy	PRAGUE	26	fair
CASABLANCA	27	fair	ROME	29	fair
COPENHAGEN	26	fair	SOFIA	22	cloudy
COSTA MESA	26	fair	STOCKHOLM	22	cloudy
DUBLIN	18	overcast	TEHRAN	34	fair
EDINBURGH	15	rain	TEL AVIV	29	fair
FLORENCE	22	fair	TOKYO	22	fair
FRANKFURT	20	fair	TUNIS	22	fair
GENEVA	27	fair	VIENNA	22	fair
Helsinki	27	fair	WARSAW	27	fair
ISTANBUL	27	fair	WASHINGTON	28	cloudy
LAS PALMAS	27	fair	ZURICH	27	fair
LONDON	19	rain			
LOS ANGELES	28	fair			

(Yesterday's readings U.S. and Canada at 1700 GMT; all others at 1200 GMT.)

Goodbye Europe. Hello Bogotá, Lima, Quito!

Avianca has 4 convenient flights a week from Europe to the Caribbean and South America — from London, Frankfurt and Zurich — via Madrid or Paris/Madrid with prompt connections to all of Latin America.

Avianca
The Colombian International Airline
The First Airline of the Americas

Consult your Travel Agent, or call:
Avianca: Barcelona 317164 • Brussels 512432 • Frankfurt 22221 • London 408 1889 • Madrid 342456 • Miami 823440 • Paris 242044 • Rome 422240 • Stockholm 108196 • Vienna 341316 • Zurich 212101

JPL 110150

News Analysis

Pinochet Consolidates Control

By Juan de Onis

ANTIAGO, July 30 (NYT) — General Augusto Pinochet has consolidated his control over the military junta by dismissing his main critic, Gen. Roberto Leigh, who was air force commander.

Civilian Rule in Ecuador Faces Grim Social Legacy

By David Vidal

QUITO, Ecuador (NYT) — In 1972, oil for export began flowing over a 313-mile pipeline from the Andes Mountains from Lago Agrio wells in the Amazon, to the port of Esmeraldas. It was a landmark event in the economic and political history of the country.

With 7 million inhabitants, Ecuador is predominantly agricultural, with the labor force employed harvesting bananas, coffee, sugar and cotton. Thanks to oil, a major transition of the Ecuadorian economy has been taking place over the last six years. The flow has been a trickle in terms of the world market. Yet this trickle, with an annual production limit of 210,000 barrels a day that has not been consistently met, has had the impact of a flood on the domestic economy.

It is also no coincidence that the second stage of the armed administration — initiated in 1976 with the removal of Rodriguez and his replacement by a more conservative figure, Vice Adm. Alfredo Burbano — is about to end a return to civilian rule at the golden phase of a petroleum boom.

July 16, Ecuadorians went to the polls in the opening round of a presidential election, the first in a decade. They did so with a new optimism. Oil has accentuated the life of the poor due to inflation.

The military had a historic opportunity to use the money from oil to not only economic development but also social change, and "wasted it," says Rodrigo Borja, presidential candidate of the Radical Left Party, a Quito middle-class group. There has been an enormous expansion in the army, with the gross national product, \$1.7 billion in 1970, up to \$3.9 billion last year. But it has occurred in spite of, not because of, government policies.

Not Enough Exploration
At the same time, there has been almost no exploration mainly because of conflict between the military and the government, which in 1972 had founded the Ecuadorian State Petroleum Corp. and progressively increased the

the junta and from command of the air force, but 18 of the 20 members of the air force general staff were removed or resigned.

For more than a year Gen. Leigh opposed measures adopted by Gen. Pinochet, with the acquiescence of the navy commander and the chief of the national police, who complete the four-man junta — measures that strengthened the president's power at the expense of the junta. Now, with Gen. Leigh dismissed and the air force reduced to silence, Gen. Pinochet's plans for a constitutional reform that would keep him in power until at least 1986 have no military opposition.

A consolidation of conservative constitutional powers is expected to deliver a draft of a constitution next month that would establish what is being called in official circles "protected democracy." If the text is approved by the junta, it will be submitted to a national referendum.

The so-called "air force massacre" has had a powerful impact on the optimism of civilian opposition groups, particularly the Christian Democratic Party, which had believed that internal military problems and international pressure would check Gen. Pinochet's advance toward personal power.

There have been great expectations in opposition circles over the consequences for the Pinochet government of the indictments expected shortly from a federal grand jury in the United States on the bombing that killed Orlando Letelier, a Chilean exile leader, and Ronni Moffitt, a U.S. citizen, in Washington, D.C., in 1976. The indictments are expected to name Gen. Manuel Contreras, former head of the Chilean secret police, and two other army officers, as well as Michael Townley, a U.S. electronics technician who worked for the secret police, formerly known as the National Intelligence Directorate, or DINA.

The ease with which Gen. Pinochet dismissed Gen. Leigh made it clear that Gen. Pinochet's support in the army is total and that conservative civilian forces represented in the cabinet by the minister of the interior, Sergio Fernandez, a rightist nationalist lawyer, will also back him.

Until now the Chilean government has cooperated in the U.S. investigation under pressure. A serious conflict could develop with the Carter administration if the United States seeks the extradition of Gen. Contreras and other Chilean military men indicted in the Letelier case, and the Chilean courts reject it.

Gen. Pinochet is also facing an international problem in a conflict with Argentina over maritime sovereignty at the southern tip of the continent in the wake of an arbitration award that supported Chile's claims to three islands at the mouth of the Beagle Channel. With Argentina rejecting the award, made last year by the Queen of England, new negotiations have begun following two meetings between Gen. Pinochet and President Jorge Videla of Argentina.

Demarcation Line
But no progress has been achieved in four months on Argentine demands that a demarcation line be drawn excluding Chile from Atlantic waters.

This external threat, awakening long-standing Chilean nationalist resistance to alleged Argentine expansionism toward the Pacific, is being used by the official publications to rally "national unity" behind Gen. Pinochet.

Gen. Pinochet, 63, is approaching the completion of five years in power with an improving economic situation. The rising price of copper, the main export, bolsters an already solid position in international reserves, now more than \$1 billion. Chile has easy access to foreign bank credit. However, unemployment is still more than 12 percent of the labor force, according to official statistics, and investment levels are hampered by the high cost of credit. On the other hand, the growth rate of more than 6 percent last year is continuing and prospects for employment are improving, with labor not in a mood of resistance.

Yugoslavs Find Old Roman Spa
BELGRADE, July 30 (AP) — A Roman spa with baths, said to be the oldest and best preserved in the Balkans, was discovered by construction workers digging near Strumica, in Macedonia, the Belgrade daily Borba reported yesterday.

Archaeologists said water ducts were discovered leading to a nearby hot mineral water source, along with an entrance to and walls surrounding the bathing area. Ceramic and other objects, said to be more than 2,000 years old, were also found.

The area is rich in archaeological objects with more than 150 major finds so far, including a stone graveyard in which Tiberius, a leader of a Roman army, confined his daughter alive after she betrayed his army.

Kidnappers Release Publisher's Daughter
MILAN, July 30 (AP) — Maria Grazia Bonadonna, the 33-year-old daughter of a Milan publisher, was freed at dawn yesterday in the center of Milan after more than two months in the hands of kidnappers, police reported.

The mother of two boys, 9 and 5, who was reported unharmed, was abducted May 24 while her husband, an engineer, was on a business trip to the United States.

Police said the kidnappers initially asked a ransom of 3 billion lire (about \$3.3 million), but the family refused to comment on the ransom demands.

Yugoslav Beats Off Rat
BELGRADE, July 30 (AP) — A rat bit a housewife on the ankle as she was returning home on a street in Kraljevo, south of here Friday, and she freed herself only after beating the rodent with a stick she found, a press report said yesterday.

Portugal Parties Explain Crisis to the Electorate
LISBON, July 30 (UPI) — The political parties went to the countryside today to explain their conflicting positions in the face of Portugal's worst crisis since the introduction of parliamentary democracy two years ago.

The conservative Center Democrats held numerous small rallies north of Lisbon to serve the dual purpose of marking their fourth anniversary as a party and tell why they provoked the crisis by pulling out of their coalition with the Socialists.

Socialist leader Mario Soares met with regional party leaders in Leiria, 129 kilometers north of Lisbon, for strategy talks while Communist chief Alvaro Cunhal headed south to address a party rally.

Of the four large minority parties, the Socialists, Communists and conservatives have insisted that the solution should be a Cabinet based on the parties despite the difficulty in achieving such an arrangement. The centerists backed the creation of a caretaker government of technocrats personally chosen by the president to rule until early elections can be held.

As an Alternative Energy System
Danes Build a Giant Windmill
By R.W. Apple Jr.

ULFBORG, Denmark (NYT) — One of the world's largest windmills has risen on the moors facing the North Sea in a remote corner of Denmark because its builders, as one of them said last week, "wanted to demonstrate that we could do something positive and not just keep saying no."

The explanation was offered by Dorthe Arp, 23, of Copenhagen, who has been working on the 175-foot-high electricity-generating windmill for two years. She and about 30 young people, none of whom had ever been involved in heavy construction, completed the \$900,000 undertaking with little professional assistance.

The windmill, with three 90-foot, 5-ton blades, is visible for miles. It is the product of a progressive organization called the Tivind schools, three related institutions about three miles southwest of Ulfborg that were established during the last decade by a group of idealistic educators.

The Tivind schools comprise a high school that stresses long bus trips to Africa and Asia, a teachers' training college and a vocational school for teen-agers. The goal, said Eva Westergaard, one of 120 staff members, is to "integrate the world outside the classroom with the world inside."

The Tivind schools are organized as communes. Teachers and students plan curriculum and activities jointly and share maintenance tasks. Ardi Petersen, one of the founders, calls the philosophy of the schools "head and hands learning," and the group attempts to make it available as cheaply as possible.

So when the oil embargo struck Denmark in 1973, driving the schools' fuel bill to more than \$55,000 a year, the teachers and students began to consider alternatives. It also occurred to them that in the process they might set an example for their country.

Denmark has severe energy problems. Other than a 5,000-barrel-a-day trickle from North Sea oilfields, the country has no fossil fuels, and its flat landscape precludes hydroelectric projects that

are possible elsewhere in Scandinavia. The need is filled by importing Middle East oil.

Nuclear power has been studied as an alternative to the costly oil, but as elsewhere, it has been opposed by environmentalists. The coastal plain along the North Sea, however, is one of the windiest places on earth; meteorological records show that there is a stiff breeze 300 days a year.

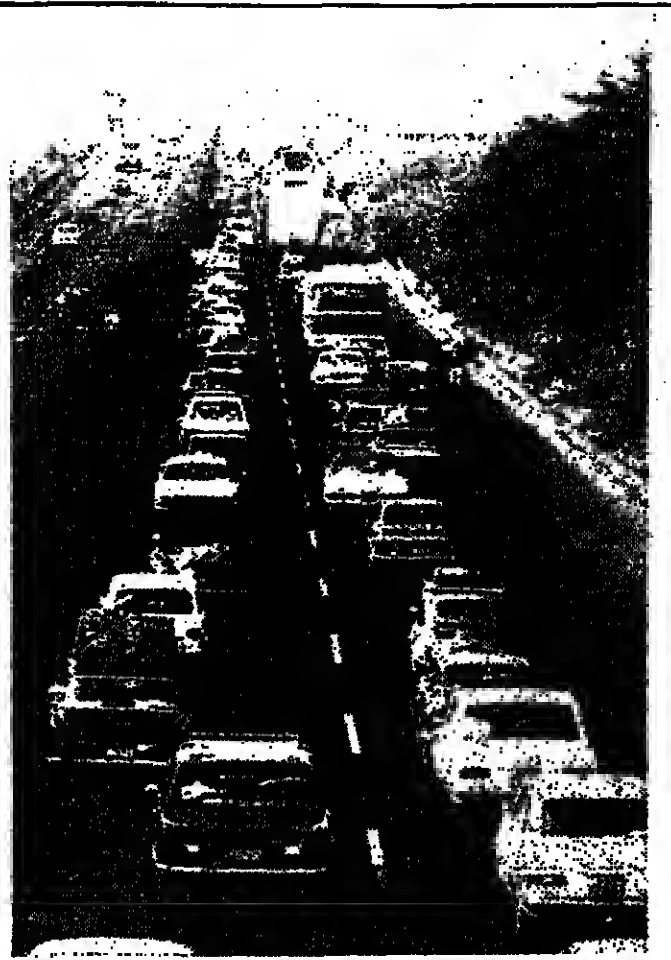
Volunteered Pay
The government, though it has created a \$12 million fund for experimentation in alternative energy systems, was unwilling to pay for the erection of a windmill at Tivind. So were private foundations. The teachers therefore decided to use their government pay, from which they drew only enough to meet living costs.

Early in 1975, a volunteer work force was gathered through advertisements in Danish newspapers. The volunteers were later augmented by foreigners, including an Australian, a Japanese and an American.

One teacher, an engineer, taught the others as the work went on, and other engineers from this region of the Jutland peninsula were brought in for a few days to explain special techniques. To teach themselves plastics production, the "mill team" first built three fishing boats, which are now used to provide food for the school's dining halls, then made the windmill blades from plywood, polyester, epoxy and fiberglass.

Swedish Generator
The schools subsequently managed to buy cheaply a used generator from Sweden, a driveshaft from a scrapped oil tanker and a transmission originally designed for a mine. All were mounted in a large metal pod atop a concrete tower last fall. The apparatus looks like a plane's engine housing, but instead of an engine turning the propeller, the propeller, rotating in the wind, turns the 2,000-kilowatt generator.

This spring, after three years' work, the "wind kraft," as the windmill is called, was put through a series of tests, and to the astonishment of many, it worked. By 1979 it is expected to produce



QUO VADIS — A long line of cars crowds the highway from northern Italy to the south as it passes by Rome Saturday. The vacation exodus reached its peak this weekend.

Portugal Parties Explain Crisis to the Electorate

LISBON, July 30 (UPI) — The political parties went to the countryside today to explain their conflicting positions in the face of Portugal's worst crisis since the introduction of parliamentary democracy two years ago.

The conservative Center Democrats held numerous small rallies north of Lisbon to serve the dual purpose of marking their fourth anniversary as a party and tell why they provoked the crisis by pulling out of their coalition with the Socialists.

Socialist leader Mario Soares met with regional party leaders in Leiria, 129 kilometers north of Lisbon, for strategy talks while Communist chief Alvaro Cunhal headed south to address a party rally.

Of the four large minority parties, the Socialists, Communists and conservatives have insisted that the solution should be a Cabinet based on the parties despite the difficulty in achieving such an arrangement. The centerists backed the creation of a caretaker government of technocrats personally chosen by the president to rule until early elections can be held.

As an Alternative Energy System
Danes Build a Giant Windmill
By R.W. Apple Jr.

ULFBORG, Denmark (NYT) — One of the world's largest windmills has risen on the moors facing the North Sea in a remote corner of Denmark because its builders, as one of them said last week, "wanted to demonstrate that we could do something positive and not just keep saying no."

The explanation was offered by Dorthe Arp, 23, of Copenhagen, who has been working on the 175-foot-high electricity-generating windmill for two years. She and about 30 young people, none of whom had ever been involved in heavy construction, completed the \$900,000 undertaking with little professional assistance.

The windmill, with three 90-foot, 5-ton blades, is visible for miles. It is the product of a progressive organization called the Tivind schools, three related institutions about three miles southwest of Ulfborg that were established during the last decade by a group of idealistic educators.

The Tivind schools comprise a high school that stresses long bus trips to Africa and Asia, a teachers' training college and a vocational school for teen-agers. The goal, said Eva Westergaard, one of 120 staff members, is to "integrate the world outside the classroom with the world inside."

The Tivind schools are organized as communes. Teachers and students plan curriculum and activities jointly and share maintenance tasks. Ardi Petersen, one of the founders, calls the philosophy of the schools "head and hands learning," and the group attempts to make it available as cheaply as possible.

So when the oil embargo struck Denmark in 1973, driving the schools' fuel bill to more than \$55,000 a year, the teachers and students began to consider alternatives. It also occurred to them that in the process they might set an example for their country.

Denmark has severe energy problems. Other than a 5,000-barrel-a-day trickle from North Sea oilfields, the country has no fossil fuels, and its flat landscape precludes hydroelectric projects that

are possible elsewhere in Scandinavia. The need is filled by importing Middle East oil.

Nuclear power has been studied as an alternative to the costly oil, but as elsewhere, it has been opposed by environmentalists. The coastal plain along the North Sea, however, is one of the windiest places on earth; meteorological records show that there is a stiff breeze 300 days a year.

Volunteered Pay
The government, though it has created a \$12 million fund for experimentation in alternative energy systems, was unwilling to pay for the erection of a windmill at Tivind. So were private foundations. The teachers therefore decided to use their government pay, from which they drew only enough to meet living costs.

Early in 1975, a volunteer work force was gathered through advertisements in Danish newspapers. The volunteers were later augmented by foreigners, including an Australian, a Japanese and an American.

One teacher, an engineer, taught the others as the work went on, and other engineers from this region of the Jutland peninsula were brought in for a few days to explain special techniques. To teach themselves plastics production, the "mill team" first built three fishing boats, which are now used to provide food for the school's dining halls, then made the windmill blades from plywood, polyester, epoxy and fiberglass.

Swedish Generator
The schools subsequently managed to buy cheaply a used generator from Sweden, a driveshaft from a scrapped oil tanker and a transmission originally designed for a mine. All were mounted in a large metal pod atop a concrete tower last fall. The apparatus looks like a plane's engine housing, but instead of an engine turning the propeller, the propeller, rotating in the wind, turns the 2,000-kilowatt generator.

This spring, after three years' work, the "wind kraft," as the windmill is called, was put through a series of tests, and to the astonishment of many, it worked. By 1979 it is expected to produce

enough power to light and heat the schools' 140,000-square-foot complex.

An agreement has also been reached to plug the Tivind station into the local power grid. On windy days Tivind will sell power, and on calm days it will buy. It is expected to make a profit because calm days are rare.

India Students Riot Over Name
NEW DELHI, July 30 (AP) — Rioting students protesting a plan to rename a state university after a leader of the untouchable community set fire to trains and buses near Aurangabad in western India, according to reports reaching here yesterday.

Clashes with police Friday left at least 20 persons injured, including four officers, the reports said. Students attacked banks and a post office, cutting telephone wires.

The disturbances were triggered by a move Thursday to change the name of Marathwada University of Aurangabad to Dr. Bhimrao Ambedkar University. Dr. Ambedkar, who died in 1956, was law minister in Prime Minister Jawaharlal Nehru's first cabinet and is considered the prime architect of India's Constitution. He encouraged millions of untouchables to convert to Buddhism to escape persecution from high-caste Hindus.

14 Die in India In Caste Clashes
NEW DELHI, July 30 (Reuters) — Fourteen persons have been killed in clashes between caste Hindus and Harijans (untouchables) in India's southern Tamil Nadu state.

Commenting on the violence, Prime Minister Morarji Desai told Parliament Friday:

"Police should have taken preventive measures. I am drawing the attention of the Tamil Nadu chief minister and advising him to punish those responsible."

International financing with a global clientele highlights another successful year.

Balance Sheet as at 31st March, 1978

ASSETS	Francs		LIABILITIES	Francs	
Liquid assets and balances with banks at sight	5,814,443,802.-		Liabilities to banks	53,998,899,410.-	
Balances with banks for agreed periods	14,301,923,376.-		Liabilities to financial institutions	558,335,000.-	
Balances with financial institutions	7,563,005,178.-		Liabilities to non-banks	1,916,333,087.-	
Secured advances	2,593,118,135.-		Other liabilities	2,449,307,778.-	
Unsecured advances	13,082,869,920.-		Provision for contingencies	1,169,936,776.-	
Securities	16,388,777,882.-		Capital and reserves	1,321,000,000.-	
Other Assets	1,919,473,534.-		Profit brought forward and profit for 1977/78	256,799,776.-	
Total Assets	61,664,611,827.-		Total Liabilities	61,664,611,827.-	

Gearing its expansion to the steady development of the Euromarket, DGZ International continued to strengthen its position in interbank money activities, serving a worldwide clientele of first addresses. Expert foreign exchange and money dealing in connection with its extensive international financing complement the Bank's services.

The Bank again achieved good results for the financial year ending 31st March, 1978. Total assets rose to Flux 61.665 billion, a growth of

nearly Flux 7 billion (12.8%) over the previous year.

DGZ International in Luxembourg is a wholly-owned subsidiary of one of Germany's major banks, the Frankfurt-based Deutsche Girozentrale — Deutsche Kommunalbank — (DGZ), the member institute on the federal level of the German savings banks organization.

For more information about DGZ International and its specialized services just get in touch.



Deutsche Girozentrale International S.A.

1, Place d'Armes, R.C. Luxembourg B9462, Luxembourg-Ville.
Telephone: 42471, Telex: 2257 and 2607

Obituaries
Umberto Nobile, Piloted Dirigibles to North Pole

ROME, July 30 (AP) — Gen. Umberto Nobile, 93, the Arctic explorer whose airship Italia crashed near Spitsbergen during a historic expedition flight to the North Pole in 1928, died last night.

Gen. Nobile, a community leader in southern Italy, devoted most of his life to the study of the use of dirigibles in long-distance flights, especially in Arctic explorations.

In 1928 he piloted the Norge airship during the flight across the North Pole of explorers Lincoln Beane of the United States and Bernt Balchen of Norway.

He became famous for the ill-fated flight of the Italia, sister ship of the Norge, which took off from Milan April 5, 1928, with a crew of several Italian Navy and Air Force officers and the scientist Finn Malmgren. The airship was covering much new territory in the North Pole (the Italia crashed near Spitsbergen).

Several members of the crew were killed or injured. Nobile himself was injured. The airship started a march toward the North Pole. During the march, the airship was spotted by a Soviet icebreaker.

The flight made headlines in the world and for many years Gen. Nobile's enterprise was

John Mackintosh

LONDON, July 30 (AP) — Prof. John Mackintosh, 48, a Labour Party MP, died in Edinburgh Royal Infirmary today.

His death reduced the strength of Britain's governing Labour Party to 306 of the 635 seats in the House of Commons. Labor relies on support from smaller parties to hold off the opposition Conservatives. Prof. Mackintosh represented the Scottish constituency of Berwick and East Lothian and was professor of politics at Edinburgh University.

Francis Ingalls

VIVIERES, France, July 30 (UPI) — Francis Abbott Ingalls, 83, an American engaged in social work in France for many years, died here Wednesday.

Mr. Ingalls, a graduate of Harvard College, served in the U.S. Army in both World Wars. After World War II, he was an official with the Allied Military Government in Trieste until 1952. He later directed the European office of the American Foundations for the Overseas Blind in Paris. On his retirement, he was awarded France's Legion of Honor. He is survived by a daughter, Mrs. Sandra Van Heerden of New York, and three grandchildren.

Europe's High-Risk Challenge

It is not the platitudinous Bonn summit of the leaders of the industrial nations that now dominates discussion on three continents, but the Bremen summit of European leaders that preceded it. Economists and political strategists are just beginning to evaluate the importance of the Common Market gathering at which Germany and France unveiled an ambitious plan to tie together the European Community's exchange rates and to back this union with a new international fund.

The subject matter is technical but the import is highly political. And while Americans have tended since World War II to favor any development that represents a step toward greater economic and political cohesion of the European allies, the proposed initiatives may turn out to divide the industrial democracies. Whatever the consequences, the cause is plain: a lack of confidence in American economic leadership. Whether they support or resist the Europeans' plan, Americans need to recognize it as the most fateful notice yet that the United States' world position requires new signs of American economic discipline and determination to regain a leading role in alliance politics.

It is difficult to predict what effect the proposed financial union would have, because no one—apparently including its architects, Chancellor Schmidt of West Germany and President Giscard d'Estaing of France—has a clear idea of how it would work. The union might help to coordinate national policies, moderating Germany's economic conservatism and checking inflationary forces in other Common Market countries. But it is more likely to exacerbate conflicts within the European Community while temporarily diverting attention from critical policy choices facing all the major industrial nations, including the United States and Japan.

The Schmidt-Giscard d'Estaing plan would limit fluctuations in Common Market exchange rates to a narrow band, thereby facilitating trade and investment within Europe. West Germany sees in this plan a degree of protection against further financial speculation against the dollar, whose decline tends to raise the exchange value of the mark and put West German exporters at a disadvantage. By linking the strong mark to other European currencies, West Germany could be certain of more stable markets within Europe, where it sells half its exports. France's leaders apparently like the idea of creating an external force for discipline in wage and price markets.

The Common Market countries have tried before to link their currencies in a single exchange "snake," but failed because they could not agree on common approaches to inflation and growth. The optimists argue that the time is right for another try: Europe seems more determined to fight inflation now; economic conditions make coordination more acceptable politically, and a special fund would be available to support the union.

But does that validate a formal European commitment to what amounts to fixed exchange rates? If the members of the financial union are prepared to coordinate their domestic policies anyway, the new arrangement would have no particular value. And in a real financial crisis, when collective action might become very useful, the new union would probably prove to be no more durable than the snake.

A still greater concern should be that Europe's flirtation with this kind of financial union betrays a deep pessimism about the prospects for economic peace between the Common Market and both the United States and Japan. The Common Market sees Washington's unwillingness to protect the dollar with economic measures as a sign of indifference to Europe's problems. And whether justified or not, Europe's frustration with American policy could itself destabilize transatlantic exchange rates.

The creation of a European monetary union, and particularly its stabilization fund complete with a new financial unit of account, may also be seen as a disillusionment with existing financial arrangements, in which case it would further reduce confidence in the dollar. By constructing their fragile dike against the financial seas, the Europeans could thus inadvertently roll the waters.

In sum, a new monetary union might allow America's European allies to tackle their own economic problems with greater determination. But the odds against success are high and the risks of failure are real. Dramatic initiatives are no substitute for the hard decisions needed to bring order back to the international economic system. For Western Europe and Japan, that would mean a greater commitment to economic growth and open world trade. For the United States, it would require the imposition of tough measures for energy conservation and a serious effort to control spiraling prices and wages.

THE NEW YORK TIMES.

The Zigzags of Anwar Sadat

President Anwar Sadat is a hard man to keep up with. Last November he was making the big gesture for peace with Israel and seemed to be ready to take some big risks. By January he was scuttling direct negotiations between Israeli and Egyptian foreign ministers, after only one day's haggling over fine print. Subsequently, he had a fling at playing inside politics with Israeli critics of Prime Minister Menachem Begin's intransigence, dangling hints of this or that concession before Labor Party leader Shimon Peres and Mr. Begin's own defense minister, Ezer Weizman, in a series of private talks that understandably infuriated Mr. Begin. The week before last, he countenanced a resumption of exploratory foreign ministers' talks with Israel in a castle outside London, under American auspices. While there was not much give or take, the American mediators on hand apparently found a new willingness on both sides to forgo nipping and to try, at least, to address the large, hard questions.

Last week, Mr. Sadat was personally assailing Mr. Begin as "the only obstacle" to peace, abruptly expelling an Israeli military mission from Egypt and letting it be known both loudly and privately that he saw no purpose in a follow-up foreign ministers' meeting in the absence of some substantial softening of Israel's position. And yesterday found him rejecting a resumption of peace negotiations with Israel, insisting that Israel must first agree to the principle of evacuating Arab lands occupied since 1967.

All this he was doing, we might add, as Israeli Foreign Minister Moshe Dayan demonstrated, in a full-dress report to the Knesset, at least a little more Israeli flexibility on the critical question of the future of the Israeli-occupied West Bank.

What is one to make of this? At first blush, one is tempted to believe that Mr. Sadat has persuaded himself he can have it all, free of risk or sacrifice: a rapprochement with the hard-line "rejectionists" in the Arab World, a nice, warm, fruitful relationship with the United States, more and bigger Israeli con-

cessions under American pressure, a hero's role as the architect of Mideast peace—the works. But since that is manifestly impossible and Mr. Sadat is more than smart enough to know it, the explanation presumably lies elsewhere. Part of it has to do with the way the negotiating process works; Mr. Begin has done his share of blowing hot and cold. And part of it no doubt has to do with inside politics on the Arab side. Mr. Sadat's latest zig—or zag—makes a certain amount of sense in tactical terms at a time when the Arab "rejectionists" are taking the occasion of a Belgrade meeting of "nonaligned" nations to try to haul Egypt back to the hard line. The Iraqis, the Syrians, the Libyans and others are angling, apparently, to do in the current Mideast peace process by somehow returning it to the tender, not to say smothering, mercies of the United Nations. When the hard-line Arabs are invoking the sacred name of Arab unity, it is hard politically for Mr. Sadat to resist the temptation at least to sound like one of the boys.

But he cannot be one of the hard-line boys and make peace with Israel—or continue, for that matter, to be best friends with the United States. And while one may presume that nobody knows that better than Mr. Sadat, one cannot presume that he has not miscalculated the limits of American permissiveness. President Carter has been leaning heavily and conspicuously on Israel to take a more conciliatory approach—not without justification, in our view, but also not without some promising results. It is conceivable, observing this, that the Egyptian president may have come to overestimate what the United States can be expected to extract from Israel and to underestimate what can—or will—be reasonably demanded of him by Mr. Carter, if a settlement is to be reached.

The time may be about right, in other words, for the United States, in the interests of constructive mediation, to begin leaning a little harder on Mr. Sadat.

THE WASHINGTON POST.

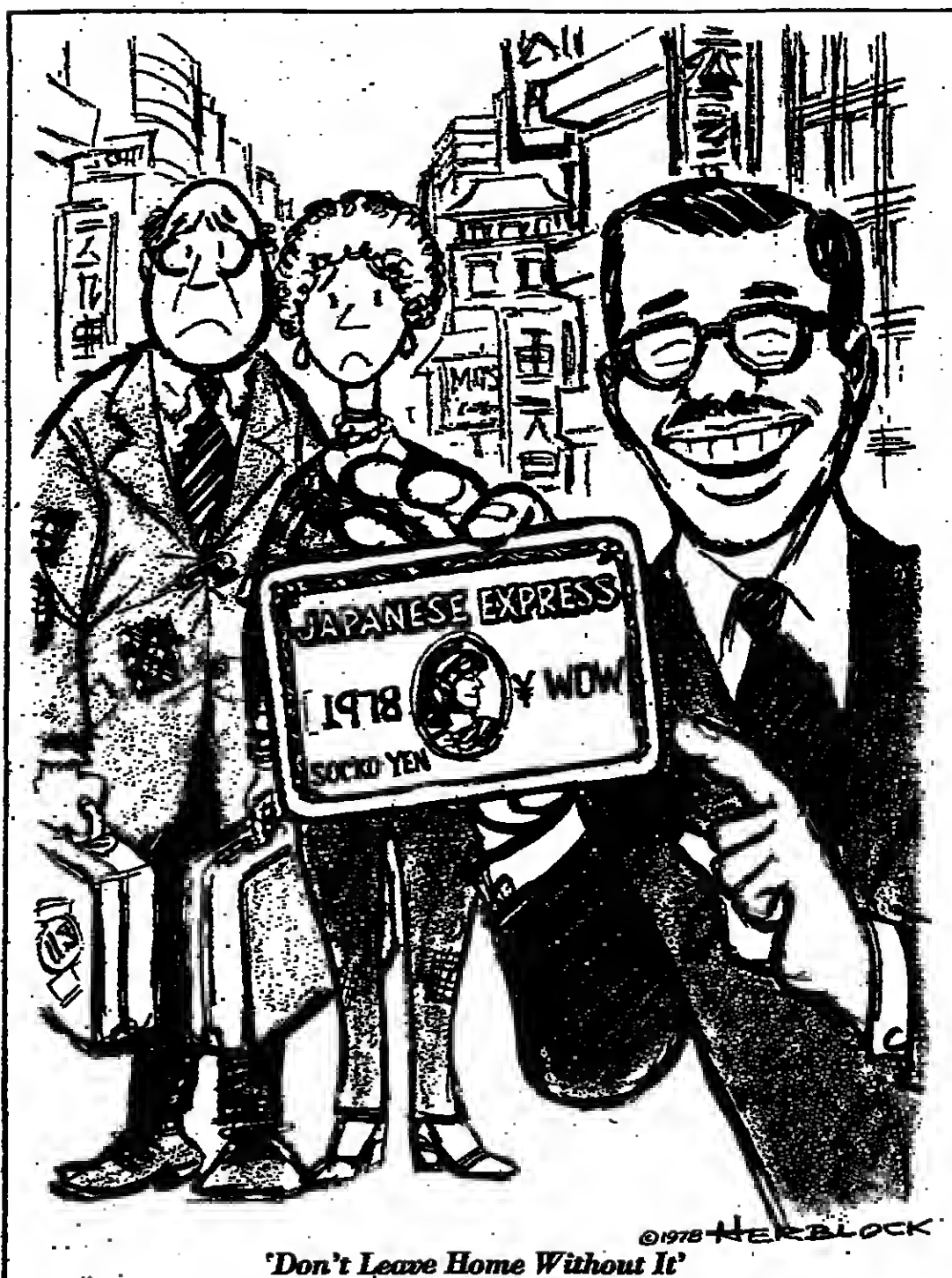
In the International Edition

Seventy-Five Years Ago
July 31, 1903

PARIS — A French military delegation, headed by the minister of war, Gen. Andre, yesterday inspected Mr. Santos-Dumont's dirigible airship, and is reported to be considering the use of dirigibles for military use. A test of the airship is due soon. It would seem that the world is fast approaching an era when men will fight not only on land and beneath the surface of the sea, but also among the clouds.

Fifty Years Ago
July 31, 1928

LONDON — A compromise agreement between Britain and France on the question of naval disarmament has been reached. Sir Austen Chamberlain, the foreign secretary, announced the compromise during a debate on appropriations in the House of Commons. Declining to elaborate on the details of the agreement, Sir Austen said that these would be announced at the upcoming Geneva disarmament talks.



'Don't Leave Home Without It'

'Enforcer' in the White House

By David S. Broder

WASHINGTON — Jimmy Carter's White House has acquired an enforcer and he has his way, it's going to be no more Mr. Nice Guy. The new "enforcer" is a plainclothesman whose official function is as Carter's media adviser and image-maker.

Gerald Raftery, the curly-haired Atlanta advertising man who hooked up with Carter in his bid for governor of Georgia and rode to the top with him, sold his business and joined the White House staff last month, largely at the behest of Rosalynn Carter.

Self-Mocking

Raftery's arrival has been greeted with snickers among those who think Carter's problems lie more in the area of performance than of public relations. Raftery has turned the joke around by hanging a self-mocking sign in his West Wing office, proclaiming it the headquarters of Doonesbury's famous "Secretary of Symbolism."

But the intense Texas transplant has a more urgent role in mind for himself than orchestrating the efforts to improve the public perception of his longtime client. His purpose, as he might put it, is to deal with the people who are "jerk[ing] the president around."

In Raftery's view, that includes a fairly broad cross-section of Washington and the political world. It includes congressmen who accept the president's favors and then sabotage his important bills. It includes agency officials who put their own priorities ahead of the president's. And it includes interest groups and the politicians who pressure the president to squander his time, energy and credibility on causes that are important to them but not to him.

Against all such double-dealers, detractors and dilettantes, Raftery has been asked to invoke a concept that has not been visible in the first 18 months of the Carter administration. His is the familiar cry: Let's get some discipline in this outfit.

Like any good company commander, he has checked first to see how tough and loyal his subordinates are. And he has discovered, along with others on the White House staff, that Carter al-

most "gave the government away" when he let his Cabinet secretaries take their own assistants at the start of his term. Noting the doubtful loyalty of some of these department officials, Raftery has concluded that the Russians knew what they were doing when they put a political commissar in each cabinet.

As an early Carter loyalist, he is trying to demonstrate by example that Carter, however quiet his own voice might be, is not adverse to his aides cracking the whip on his behalf.

But Raftery is not finding the demonstration easy. When he decided to knock presidential assistant Midge Costanza off a television talk show she had accepted without clearance from him, he found himself the subject of unflattering front-page stories.

When he told a meeting he convened of top departmental press secretaries that he wanted to hear the Cabinet doing more bragging about the President's success in reducing unemployment, he found himself challenged by one unabashed assistant secretary who argued that there were still too many jobless for anyone of good conscience to be smug or satisfied.

Raftery swatted those gnats, but he has yet to tangle with the tough guys of the administration, the Congress or the political-interest groups. As he concedes, it is uncertain whether there is enough internal coordination within the White House to keep the rewards and punishments from falling on the wrong heads.

Nothing New

But there is a larger question about his plan. What Raftery is proposing is nothing new in government. Strategies for funneling "good news" announcements from the White House and "bad news" from the departments has been tried before. So have efforts to control the speeches and public appearances of all administration big shots.

The file drawers are full of old plans to populate the senior departmental and agency staffs with presidential loyalists. All these were part of the recent past. The heavy-handed excess with which past presidential assistants, also wedded

to the idea of discipline, wielded their power has not been forgotten.

Raftery must operate with a subtlety and skill his departed predecessors in the age of the imperial presidency lacked. But as someone coming to play hardball on Jimmy Carter's softball team, he is guaranteed only one thing: controversy.

NEW YORK — Bishop Muzorewa has been in town attempting to persuade key U.S. politicians of the extravagant immorality of our present policy of boycotting Rhodesia for the sin of failing to turn the country over to the guerrilla leaders.

Bishop Muzorewa, a black leader who has fought successfully for political freedom for his people against a regime far fiercer and more determined than any that ever stood in the way of Martin Luther King and Andrew Young, has spoken to the key senators and commentators, and hopes he has made his point—that the economic persecution of Rhodesia is unwarranted, unjust, and hazardous to the prospects of a biracial society, which is what Rhodesia would become—the only such society in Africa, the rest of them being either all black or all white racist.

Why — Bishop Muzorewa was asked — has he not approached black leaders in America and asked them for their support? The bishop hedged.

There is, you see, the problem of Andrew Young, conspicuously — perhaps most conspicuously — the figure in the Carter administration who remains adamant in declining to give the present regime a chance. "It would seem," he remarked to the bishop, "the way things are going, if Andrew Young announced that a triangle had four sides, other black leaders in America would all nod their heads in agreement."

"If that is the case," said the bishop, "I would be in a bind."

RICHARD J. WALSH.

Dinosaur's Image
Re: the article by Jan Sjöby (JHT, July 20) "The King Tut's Tomb of Paleontology." I was grieved to see the dinosaur Iguanodon, and dinosaurs in general, referred to as "lizards" and "reptiles."

Is the author unaware of the great strides made over the last 10 years in the study of dinosaurs, resulting in their tentative inclusion in a new class of warm-blooded animals, the Archosaurs? Even allowing for the fact that these new ideas have to yet win general acceptance, the use of the word "lizard" to describe Iguanodon would never be used even by paleontologists who still classify dinosaurs with the reptiles.

It is time the public image of dinosaurs was altered, so that people see them as the highly sophisticated animals that they were.

DAVID D. SCARBORO.

Cambridge, England.

The Other Pullout In South Korea

By William Beecher

WASHINGTON — Shortly after President Carter took office, the White House asked the Joint Chiefs of Staff to draw up a plan to surreptitiously take all tactical nuclear weapons out of South Korea and substitute dummy weapons.

Well-placed sources, who disclosed this, said that the aim was to remove the nuclear weapons without the knowledge of the government of South Korea or of any other nation.

But career officials in the Pentagon and State Department warned that such a move would be tantamount to a severe undermining of U.S. credibility not only with South Korea, but with Western Europe and Japan, which depend on the U.S. nuclear umbrella.

Not Covert

So the covert pullout was dropped. Instead, the administration is in the process of taking out hundreds of nuclear weapons with the full knowledge of the government in Seoul.

Sources say about two-thirds of the several hundred weapons in Korea at the start of last year have been removed. Current plans call for pulling out the rest — primarily bombs for U.S. F-4 fighter-bombers — during the next four years.

But since the last of the weapons are not due out until 1982 — two years after the next presidential election — some career officials point out that the question could be raised again with whoever wins the election.

Korean President Park Chung Hee, in a position privately supported by a number of U.S. officials, has argued that deterrence of a possible assault from North Korea would be undermined by the removal of all nuclear weapons. He has urged that at least a "token number" be retained.

The internal debate over the wisdom of President Carter's plan to withdraw from South Korea all 30,000 U.S. ground troops and all nuclear weapons has been one of the most persistent of his administration.

At first the concept was to withdraw all three U.S. Army brigades in three more or less equal phases during a four- to five-year period, as South Korea's conventional forces were strengthened with modern planes, tanks and artillery.

The nuclear weapons part of the plan was not discussed publicly because, as a matter of policy, Washington does not discuss the

deployment abroad of its tactical nuclear weapons.

But the internal dissent was stirred by complaints from Japan and even from mainland China that so sweeping a withdrawal could send the wrong signal to North Korea of a significant diminution of U.S. resolve to end the Seoul regime, the mutual enemy treaty between the two countries notwithstanding.

So President Carter sharply nullified his plan. The first phase, and sometime next year, will be the removal of only 6,000 Army combat and support troops. A second phase, his size not yet determined, will be completed by 1980. The final phase, involving bulk of the remaining two brigades is to end by 1982.

Those administration officials eager to get nuclear weapons out of Korea have a number of arguments. If in another war the U.S. could not stem the tide, they say, the president might have a hard time asking for nuclear weapons if it appeared their use would avoid defeat. Also, there might be temptation to use the weapons rather than see them destroyed.

They insist that deterrence will be better served both by strengthening South Korea's ability to fend itself and by letting it know that nuclear weapons are readily available nearby — on 10th Fleet aircraft carriers and Guam and the Philippines.

Deterrence
Other officials counter that, name of the game is deterrence, fighting a war. If all nuclear weapons are removed, along with GIs, the remaining U.S. F-4 would not look that awesome to North Korea, which has preponderant power. Pyongyang, they say, might be tempted to think an armed blockade might succeed, while Washington officials were debating whether it should use nuclear weapons for use on the field or against key targets in North Korea.

"If we had gone forward with secret pullout," one official "one can imagine a private war home about how he was standing guard in freezing weather piling ostensible nuclear weapons, which actually were sacks of rice. What would have happened, deterrence, and our credit then?"

Mr. Beecher writes for the *LA Globe*.

The Problem of Andrew Young

By William F. Buckley Jr.

bishop — a highly skilled polemicist — "why do you suggest that I should approach other black leaders?"

The point was neatly made. Why go to Ben Jordan of the NAACP, or Vernon Jordan of the Urban League, or Parren Mitchell of the Black Caucus — or even William Raspberry of The Washington Post — if they subscribe to the doctrine of the infallibility of Young?

He has not resigned, which would have been the dignified thing to do. And President Carter is afraid to fire him. Mr. Mitchell was entirely straightforward in the matter. "In the event something untoward should happen to Andy Young, the black community will walk away from the Carter administration."

Disconsolation
These words are grounds for general disconsolation. I say this having 10 years ago proposed (in *Look* magazine) that it would greatly benefit the United States, and more profoundly inter-racial racism than any economic or legislative contrivance, if during the 1980s a black man were elected president of the United States. Andrew Young makes such a thing sheer fantasy. More properly, the combination of Andy Young and a constituency that regards fidelity to anything he says as the transcendent intellectual and moral obligation.

It is said that the Jewish community has its Andy Young — the state of Israel. But the state of Israel is not — if you examine the analogy closely — Andy Young. It is true that if every prominent American Jewish leader were to accept as a religiously inspired pronouncement of Menachem Begin, the analogy might be made. But there are many Jewish leaders who have criticized Begin's holy intransigence. Moreover, there are Jews who are backing Begin because they fear that to fail to do so would be tantamount to letting Israel down. I believe

them to be wrong (and, of course, the opposition in the Knesset, devoutly believes them to be wrong). But the necessary point to note here is that if Carter were to fire Young, he would not be less than the black people. It would not be implicit in such a dismissal any lack of concern for black civil rights, for black economic and social advancement. Indeed, Young could easily be replaced by a highly qualified black man.

What is harming the black community is not the prospective dismissal of Young for the best of reasons, but hanging on to him, an alleged representative of the African people — for the worst of reasons. Mr. Carter not only undermines his own authority, but of incidental concern, he reinforces the conviction that thinking big will cease to think, and sensitive blacks will cease to discriminate — if the political is single prominent black politician, at stake. As the voters of Atlanta finally had enough of Andrew Young, let him go.

Unquestionably in due course the black voters of America will register their relief that the prominent of their representative has been removed from the political scene by the removal of a man by a blurred sense of it and a tendency to mischievous deed sometimes revolting, a tons.

The *International Herald Tribune* welcomes letters from its readers. Short letters have a chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed with initials but preference is given to those fully signed bearing the writer's address. The *Herald Tribune* cannot acknowledge letters to the editor.

Handwritten note: 1974-1975



INTERNATIONAL
Herald Tribune
Published with The New York Times and The Washington Post
PARIS, JULY, 1978

West Africa — 1978

16 States Working Toward a Common Market

Changing Pattern New Multilateral Sources Supplying Foreign Aid

By Guy Arnold

LONDON (IHT) — In the 18 years since 1960 — the year of African independence — the states of West Africa have in good part remained connected with the former colonial powers for foreign aid. Their primary sources of aid are still Britain and France.

But the pattern is changing. Much aid now comes from multilateral sources — the World Bank and the International Development Agency; and increasingly all these countries receive loans from the European Economic Community, while several are major recipients of aid from Scandinavian countries. Aid from Eastern countries is also increasing, although in actual cash terms it remains relatively small.

The main exception to the general pattern is booming Nigeria, which during the 1970s actually became a modest aid donor to some of its neighbors.

Following the Lome Convention of 1975 — which, suitably, was signed in the capital of a state belonging to the Economic Community of West African States (Ecowas) — the EEC has substantially increased its influence in aid and trade in West Africa. The key to the battle for influence is Nigeria, because of its size, its oil and the huge market for industrial goods it now presents. In 1977, for example, Britain exported to Nigeria goods to the value of \$1.9 billion, half as much again as it exported to South Africa, its second largest market on the continent.

Trading Partners

When Nigeria held its first international trade fair in Lagos during November-December 1977, the four countries with the largest number of exhibits were Britain with 78 exhibitors, France with 65, West Germany with 36 and the United States with 34; this could be taken as a guide to their present standing as trading partners.

The Soviets are increasing their activities. Their influence has grown in Nigeria ever since the civil war, and they are responsible for the huge steel complex under construction at Ajakuta.

The Organization for Economic Cooperation and Development in its OECD Review for 1977 gives the total net flow of resources to the various countries of Ecowas for 1976. The figures are instructive both as to the degree of dependence and the importance attached to each country by the main Western sources of capital and other assistance — whether by individual countries or the multilateral agencies.

Country	Net Inflow (\$ million)
Benin	50.07
Cape Verde Islands	13.66
Gambia	9.41
Ghana	67.12
Guinea	1.91
Guinea-Bissau	18.69
Ivory Coast	384.51
Liberia	331.29
Mali	89.33
Mauritania	39.57
Niger	163.52
Nigeria	—112.03
Senegal	161.29
Sierra Leone	23.04
Togo	72.70
Upper Volta	84.56

The countries that attract the most aid — the Ivory Coast, Liberia, Niger and Senegal — are all well ahead of the rest. Nigeria experienced a new outflow of resources mainly because of its loans to the International Monetary Fund, putting the nation in a different category from the other states in the region.

Currently, the Economic Commission for Africa (ECA) anticipates that there will be a modest increase in aid and capital investment coming into Africa.

In 1974, average per capita income for Africa stood at only \$148; half the countries of the continent are among the poorest in the world. The Lome Convention classifies 34 of them as least developed while in many countries there is a further disparity between the extremes of the population. In 10 countries with average per capita income of \$143, the poorest 40 percent of the people earn only \$50 a year and in another 10 countries with average

incomes of \$275, the poorest 40 percent receive only \$80.

In 1975, aid to Africa from the countries in the DAC (the Development Aid Committee of the OECD, made up of the largest industrialized countries) totaled a record 1.02 percent of their GNP. However, a majority of the increased resources were private investment or bank and Eurocurrency loans. This seems to be a growing pattern, at least for countries like Niger that possess resources much in demand in the West, such as uranium. Official aid fell to only 0.33 percent in 1976 and OECD forecasts suggest it will have gone up to merely 0.40 percent by 1980.

Checked Relations

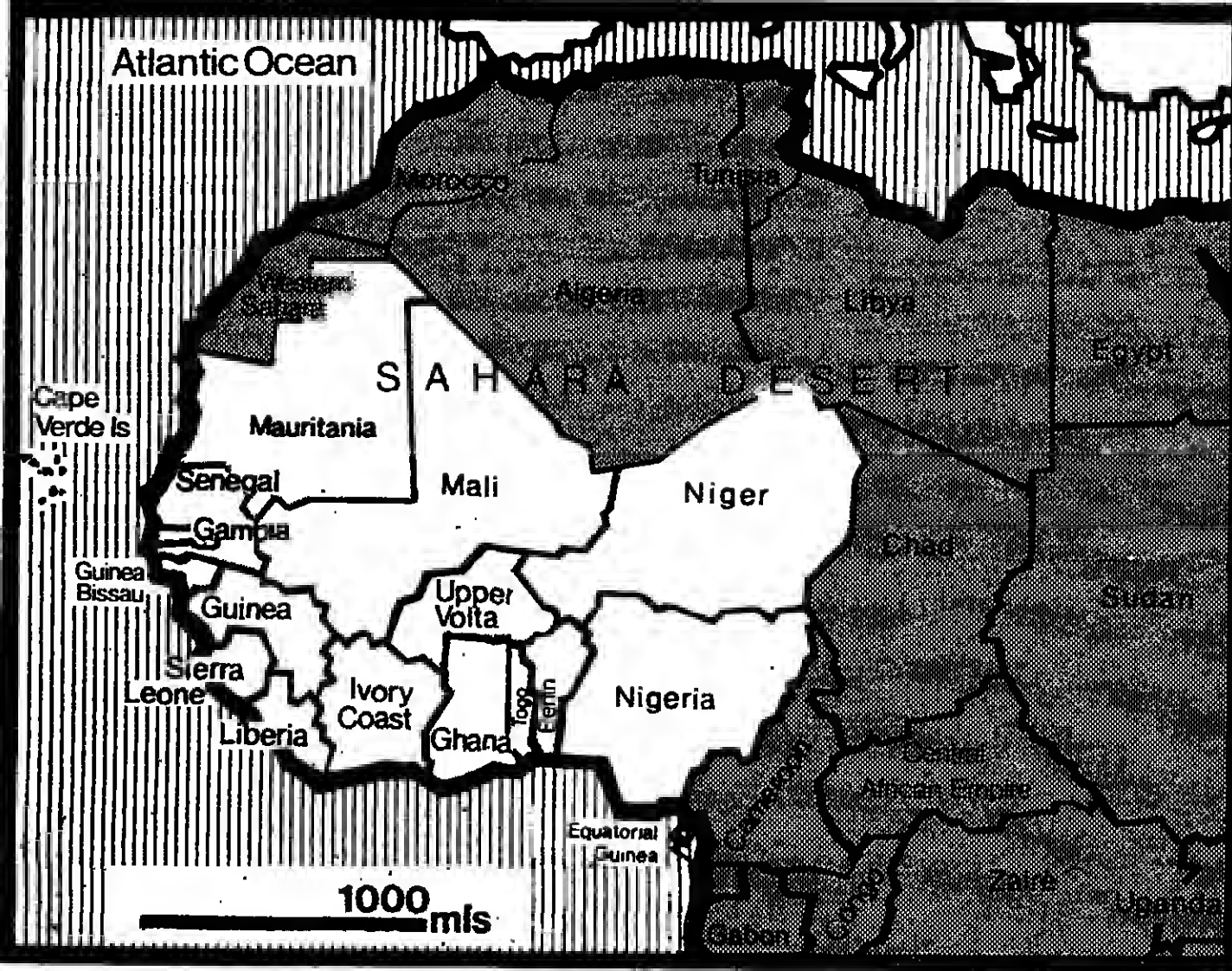
Of the total flow of finance into Africa in that year, Western nations accounted for 73.6 percent, OPEC countries for 21.6 percent and Communist countries for only 4.8 percent. This ratio varies from country to country and region to region but it can be taken as a general guide to the overall pattern.

Aid to Ecowas countries varies substantially from member to member. For example, in 1976 Benin was in receipt of \$68 million in capital aid from France and \$40 million from the European Development Fund (EDF); the U.S. Agency for International Development (USAID) came third with \$25 million and West Germany fourth with \$8.7 million.

Guinea, which has had checkered relations with its former colonial power, France, and with the West generally, faced total foreign debts in 1976 of \$929 million. However, it is now receiving aid from a variety of sources that include the World Bank (which resumed making loans to Guinea in 1975) and most Arab oil-producing states. Among its other creditors are the Soviet Union, Britain, the United States, Czechoslovakia, Romania, China, West Germany, Belgium and Italy.

Guinea's tiny neighbor, Guinea-Bissau, has relied heavily on external assistance ever since winning its independence from Portugal. Sweden and Holland together now provide an annual total of \$18 million, and in 1977 the EEC contributed

(Continued on Page 7)



'The Great Hope of the Sahel Is the Rural People'

By Vanya Walker-Leigh

OUAGADOUGOU, Upper Volta (IHT) — A new emergency has been declared in the Sahel countries following late and uneven rains last year and extensive destruction of food crops by rodents and insects.

But unlike the situation during the great drought of 1973, the eight countries in and around the Sahara desert now have close working relations with major Western countries and Arab and international aid agencies, through the unique Sahel Club. They have won a long-term commitment for extensive assistance to help them meet the basic human needs of their peoples, and

notably to achieve food self-sufficiency by the year 2000.

"This new type of cooperation may become a model for North-South relations for other parts of the world," says Aly Cisse, secretary-general of the 8-nation Drought Control Committee.

The 27 million Sahelians from some 46 ethnic groups living in the eight Sahel countries — Cape Verde Islands, Chad, Gambia, Mali, Mauritania, Niger, Senegal and Upper Volta — are among the poorest peoples in the world. Malaria, measles, meningitis, tuberculosis, river blindness, sleeping sickness, schistosomiasis and malnutrition are widespread, reducing average life expectancy to under 40

and making infant mortality rates among the world's highest — some 200 per 1,000.

In the years leading up to the 1973 drought, the fragile ecological balance that Sahelians had managed to maintain over the centuries throughout the 5.3 million square kilometer area progressively broke down. Vaccination and well-digging programs, financed by foreign aid, led to a rapid increase in the animal population and disastrous overgrazing, followed by extensive soil erosion. The introduction of cash crops for export, the reduction of fallow periods, the deforestation that resulted from using trees as both animal feed and a source of firewood and the increasing pres-

ures of population contributed to a situation where a major drought could only wreak disaster.

By the end of the 1973 drought some 100,000 Sahelians had died of hunger or thirst and 40 percent of the animal population had perished.

Eight Countries

In September 1973 the eight countries set up the Inter-State Permanent Committee for Drought Control in the Sahel (CILSS), with a small secretariat based here. During 1974 and 1975, the international response to the Sahel tragedy revealed glaring inefficiencies and lack of coordination on both Sahelian and donor sides. Clearly, nei-

Ecowas Moves Gradually Toward Economic Unity

By Alan Rake

LAGOS, Nigeria (IHT) — The Economic Community of West African States (Ecowas) is by far the most advanced form of West African cooperation so far devised. For the first time it brings together French, English and Portuguese-speaking states. Its aim is eventual economic integration, and its first target is an economic common market within 15 years.

The vision of African unity goes back to the days of Kwame Nkrumah. Ghana was the first British Commonwealth country to become independent, in 1947, and Mr. Nkrumah as its first leader was the leading apostle of Pan-Africanism.

Mr. Nkrumah wanted African unity with complete political and economic integration, on a continentwide basis, embracing all independent states. He was a visionary in a desperate hurry to achieve his goals, hoping to emerge as the ultimate leader of any continental union. He was also an impassioned publicist who sold the idea of Pan-Africanism to a whole generation of young Africans, coming of age after independence.

But Mr. Nkrumah was up against the hard realities of colonial history. West Africa alone, which now has a population of 125 million, was divided into hundreds of tribes, speaking different tongues. It was split rigidly into its English, French and Portuguese colonial blocs, each with better contacts and communications with the metropolitan states than with their next-

door African neighbors. The foreign universities that educated several generations of African elite reinforced respect for different cultures, attitudes and traditions.

Even in West Africa, Mr. Nkrumah found that his fellow heads of state were not ready for political or economic integration. The French-speaking states were highly suspicious of English-speaking Mr. Nkrumah's motives and interests only in unity among themselves. The Conseil de l'Entente, an exclusively French-speaking group, was formed by the Ivory Coast, Upper Volta, Niger and Dahomey in May 1959.

Former President William Tubman of Liberia, head of West Africa's longest established independent state, was also against Mr. Nkrumah's idea of political union and wanted instead a loose association in a "community of independent African states."

Rival Blocs

The different ideas on the form that unity should take were so varied that the African states finally split themselves into rival blocs with the moderates following Mr. Tubman into the Monrovia group and a minority of radical states following Mr. Nkrumah into the Casablanca group.

Mr. Nkrumah had meanwhile formed the ill-fated Ghana-Guinea-Mali union which, though supported vocally by its three socialist presidents, actually existed only on paper, with no practical consequences whatsoever.

Moderates and radicals finally dropped their cudgels and came together under Emperor Haile Selassie's diplomacy to form in May 1963 the group known today as the Organization of African Unity (OAU). Other groups were officially wound up, and the Monrovia and Casablanca camps were finally disbanded.

But the French-speaking states continued to maintain their Afro-Malagasy group which, after many years, emerged as the African and Malagasy Common Organization (OMCA) in May 1965. This French-speaking group exists today, as does the wholly West African Conseil de l'Entente, the longest-standing of the French-speaking political and economic associations in Africa. It aims to promote economic development in the region and guarantee outside investment.

Internal Problems

But English-speaking West Africa was in full readiness against grand plans for political unity and too preoccupied with internal problems. Military coups in Nigeria and Ghana, followed by the Nigerian civil war from 1967-70, effectively quashed all ideas of unity.

President Tubman first called for West African unity in 1964. An agreement in principle was signed between Liberia, the Ivory Coast, Guinea and Sierra Leone in February 1965, but this came to nothing. The Economic Commission for Africa (under UN and OAU auspices) then tried for economic unity. In April 1968, a protocol establishing the West African Regional Group (WARG) was signed by heads of state, but none of the subsidiary organizations met and the idea died.

It was not until Nigeria emerged from the civil war, with an economy burgeoning with newly exploited oil, that things began to happen. Gen. Yakubu Gowon was the victorious commander. He was acutely conscious of Nigeria's growing strength and the major part it could play in West Africa. Although West African leaders were cynical about any new move, Gen. Gowon did find a sympathetic listener in Gen. Elassa Gnassingbe Eyadema of the tiny, French-speaking state of Togo. The two men met in April 1972, relaunched the unity plan and from July to August 1973 toured 12 countries soliciting support for their plan.

Finally the treaty for an Economic Community of West African States was signed on May 28, 1975, by 15 West African countries, covering the entire area formed by the West African "bulge" from Mauritania to Nigeria. Even Senegal and some smaller French-speaking states, which had been afraid of

(Continued on Page 6)



Workers on an oil rig in eastern Nigeria.

Problems

If oil has provided Nigeria with many opportunities, it has also provoked some problems. Nigeria's export earnings were heavily cut when Britain's North Sea oil came on stream — Britain had previously taken 10 percent of its oil from Nigeria — with the result that this year's production of crude is down by a third and the government has been forced to cut expenditure by 10 percent. Nigeria should have no trouble finding new markets once the recession ends, however.

In addition, Nigeria is currently losing about \$300,000 a day on its oil reserves because of the drop in the value of the dollar. These losses could come to more than \$109.5 million in a full year.

Despite such setbacks, work is continuing on long-term plans for the development and exploitation of the nation's petroleum resources. At the end of November 1977 Nigeria announced that an agreement had been reached with five foreign oil companies for the construction of a large liquefied natural gas plant to produce gas for export. The plant will cost between \$4.5 and \$4.9 billion; if the development goes according to schedule, Nigeria will be shipping its first gas to the

United States and Western Europe by the beginning of the 1980s. In the consortium that has been formed, the Nigerian government will hold a 60-percent stake through the state oil corporation. Shell and BP will take 10 percent each, Phillips and Agip 7.5 percent each and Elf 5 percent.

At the outset gas throughput will be between 300 million and 600 million cubic feet a day; eventually, when full capacity has been reached, the project will require a

fleet of 14 to 16 LNG carriers, each of which will cost about \$150 million. Meanwhile competition is growing both for contracts to build the ships and for the purchase of the gas.

During a press conference in January 1978 to mark the 6th anniversary of the coup that brought him to power in Ghana, the now deposed Gen. Ignatius Acheampong announced that oil had been found in commercial quantities in his country. A 30-year development

Real Possibilities

Niger, however, has real possibilities. A geological fault that runs from the northeast to the southwest in Niger and across the border into the northwest of Nigeria could be an oil basin for both countries. Already various traces of oil have been found. Last April the French oil company Elf-Aquitaine started negotiations with the Niger government for licenses to search for oil. The search is likely to be conducted in both the north of this huge coun-

(Continued on Page 7)

The Sahel Region: 'The Great Hope Is the Rural People'

(Continued from Page 1)

But at a CILSS heads-of-state meeting in Mauritania in December 1975, Mr. Williams privately made clear that aid might start tapering off in the absence of some new arrangement.

President Leopold Sedar Senghor of Senegal managed to win the approval of Sahelian heads of state for a body to bring together CILSS countries, Western donor countries and international agencies, and offered to host a constituent meeting in Dakar in March 1976. With ministers from most major Western countries present, the Club du Sahel was set up.

Fifteen months later, a second ministerial meeting of the club in Ottawa adopted a "first generation program" of 589 projects for 1977-82, costing over \$3 billion.

Innovation

The program is a major innovation in aid planning, based on a multiple approach. Nine teams, led by Sahelians and including U.S., European, Sahelian and international agency experts, worked out "sector" programs for rainfed and irrigated crops, livestock and fisheries. They studied five problem areas common to each sector — human resources; ecology; marketing; pricing and storage; technology; and transport. The work of the nine teams was merged into a coherent whole by a "synthesis" group, although the final list of projects is unbalanced both by sector and country — reflecting the very limited planning capacity of Sahel governments.

It is hoped that the newly established Sahel Research Institute in Bamako, Mali, the regional Meteorological Center in Niamey, Niger, and the Senegal River Basin Organization's sophisticated documentation unit in St. Louis, Senegal, will provide increasing backup to national planners.

Pest Control

Team meetings are continuing and sector programs are now starting to attract financing and technical assistance commitments from donors. Recently, the first \$70 million phase of a 20-year regional crop protection project was adopted, with the emphasis on biological, as opposed to chemical, pest control.



Marion Rondot, a community development officer, discusses cropping plans with village women in Gorom Gorom, Upper Volta.

With population estimated to double between 1975 and 2000, regional food self-sufficiency, even assuming a very modest increase in nutritional levels, will mean doubling production of maize, millet, sorghum, meat and fish. Replacing imports by local output will mean a fivefold increase in rice production and expansion of wheat production from near zero to 500,000 tons and sugar cane production from 270,000 to 4.7 million tons. Sahel countries will also want to expand

production of their main export crops, cotton and groundnuts, to meet import bills.

In fact, the Sahel has both land and water resources to meet far higher targets, even though droughts will continue to recur at intervals. Recent surveys point to about 12 million hectares of good soil, and water resources totaling 150 billion cubic meters a year in the main international river basins: the Senegal, Niger, Gambi, Casamance, Chari-Logone and

Volta. Further water resources are underground, although too deep for extensive exploitation at economic rates with present technology.

Full regulation of the river basins would mean that 4 million hectares of land could be irrigated. Projects at present envisaged by the various river basin organizations would result in an irrigation potential for 800,000 hectares. But, apart from the Senegal river basin, several years of study (now being financed

by the United Nations) and negotiations between riparian countries are needed before projects can be submitted to international financing.

The Sahel Club has adopted the target of 500,000 hectares of irrigated land by the year 2000, with another 100,000 hectares under controlled flooding for rice production. With only 80,000 hectares fully irrigated at present, this implies a development rate several times higher than the annual 5,000-hectare rate achieved in recent years.

Target

But even if this goal is reached, 75 to 80 percent of total crops must still come from dryland agriculture in the year 2000, and target production levels mean the widespread adoption of fast-maturing drought-resistant strains of cereals, more productive farming methods, use of fertilizers, plus an additional 100,000 hectares being added to areas at present under cultivation.

Targets for meat production (which also involve maintaining exports at pre-1973 levels) imply doubling the herd size and increasing yields by 50 percent. But in order not to overstrain the ecological capacity of the Sahel, this will mean "sedentarizing" most nomadic cattle farmers, developing mixed farming, introducing large-scale animal feed production, changing laws on access to pastures and water points and building up the very inadequate animal health services in each country.

Changes in agricultural production methods will have to be accompanied by a complete overhaul of present marketing and pricing systems (which at present favor urban consumers over farmers), implying tricky political decisions in each country. Furthermore, regional self-sufficiency can only be attained by developing intra-Saharan trade, i.e., persuading countries with surpluses to sell them inside the area, instead of on the world market. And such trade further implies a massive improvement in transport links between countries.

Erosion

Agricultural change is also very dependent on how far erosion can be controlled and sparse rainfall retained in the soil. With firewood consumption now topping 26 million cubic meters a year, in the absence of any other cheap source of

energy for cooking and heating, the 1972-82 reforestation projects for 110,000 hectares of industrial, rural and urban plantations will only serve to reduce the rate at which forest cover is being destroyed.

While Sahel Club projects will gradually improve health services, village water supplies, transport and communications, the sweeping agricultural reform implied in its long-term strategy depends on how far Sahelians at every level are able and willing to change their way of doing things. It will also depend on how far new technologies can be worked out to meet the special conditions and constraints of the area, and on whether Sahelian education systems can be reformed to produce the broad range of skills needed.

Only 10 percent of the widely dispersed Sahelian population is literate. Eighty percent are farmers or herders, but only one in 10 farmers uses modern methods, or even employs animal traction. And farmers are wary of new methods just "imposed" upon them by outsiders. They are, however, receptive to another approach.

"Farmers are interested in actively participating in projects to test new techniques, equipment and strains," says Pierre Rondot, a member of the team of agronomists and social workers from the private

French organization, the Centre International de Développement des Recherches, which will be drawing up the agricultural plan for north Upper Volta. His wife, Marion, a community development officer, adds that women are increasingly interested in cultivating their own "joint" fields and are anxious to learn about health and nutrition.

Gabrielle von Bröckhoff, the European Economic Community representative in Ouagadougou, says "the great hope of the Sahel is the rural people, and their extraordinary endurance. We must listen to them, and build on their traditions."

Harnessing the Senegal River

ST. LOUIS, Senegal (IHT) — Every year, some 25 billion cubic meters of water forming the Senegal river flow through the water-starved Sahelian areas — the sub-Saharan region blighted by the 1973 drought — and empty into the Atlantic Ocean.

Now — after nearly 20 years of study — plans to harness this water for agricultural and industrial development in this vast drainage basin without water may get going soon.

The 1,800-kilometer Senegal river has its source in Guinea (where the irregular rainfall in the Fouta Djallon mountains provides most of the runoff), crosses western Mali, then runs east to west for 800 kilometers, serving as a frontier between Senegal and Mauritania.

Virtually dry for eight months a year, between July and October the river floods a 15-to-25 kilometer wide strip the length of the 500-kilometer valley between Bakel in east Senegal and Dagana, 150 kilometers upriver from St. Louis. Downstream from Dagana, the delta area comprises a flat stretch of saline and sandy soils. During the dry season, seawater intrudes some 300 kilometers upriver, making irrigation impossible.

The Senegal River Basin Development Organization (Organisation pour la Mise en Valeur du Fleuve Senegal — OMVS) based in Dakar, Senegal, was set up in 1972 by Mali, Mauritania and Senegal, to succeed a previous body set up in 1963 that had included Guinea. In collaboration with UN, World Bank, U.S., Canadian, French and West German experts, OMVS is now finalizing a \$500-million plan to build two dams, introduce irri-

gated agriculture and redevelop the river's navigability, badly deteriorated since the 1930s when the French installed railways in the area.

A tour to Abu Dhabi, Kuwait and Saudi Arabia this March by the heads of state of OMVS nations yielded pledges totaling \$225 million. Added to the \$179 million committed by France, West Germany, Iran, the African Development Bank and the European Development Fund, this brings total commitments to \$404 million.

The U.S. Ambassador to Senegal, Herman Cohen, hopes that the United States can pledge \$50 million, even though the project may not entirely fit the "basic human needs" criterion now applied by Congress to appropriations for aid. But OMVS officials claim that Arab countries may pledge further sums if no further Western commitments emerge at a donors' meeting to be convened later this year to review a consultant's evaluation of the plan.

The plan provides for two dams, one at Diama near St. Louis that would prevent the entry of seawater, the other at Manantali in southwest Mali that would harness 10 million cubic meters; regulate the water level downstream (ending the annual flood), as well as produce 100 megawatts of electric power to develop the iron ore and bauxite mining industries in Mali.

The river's navigability would be restored by dredging channels, and 10 river ports would be rehabilitated between Kayes in Mali and Senegal's St. Louis — thus giving landlocked Mali a badly needed year-long outlet to the sea. Under these plans, the river's annual merchandise traffic could rise from the

present 10,000 tons (carried in very small craft) to up to a possible three million tons by the year 2000.

But there are problems. First, French experts argue that the Diama project (which they have studied) must get priority. German experts, who have worked on the Manantali project, say this dam is all that is needed to develop the river basin, adding that the delta area is virtually depopulated. OMVS is insisting both must be built and that the entire system become operational by 1985.

Second, the projects may harm the region's ecology. Douglas Hudgins, leader of a 38-person team of consultants from Gamble, Fleming, Cordery and Carpenter of Harrisburg, Pa., which is doing an environmental impact study for the U.S. Agency for International Development (AID), warns that the projects might cause an increase in some disease vectors (e.g., for malaria, schistosomiasis and sleeping sickness), leaching of fertilizers and pesticides into the river and water logging of the soil. But positive effects could include a raising of the water-table level, a reduction of soil salinity in the delta area and improvement of water supplies for reforestation programs.

Energy is another constraint on development of irrigated agriculture, although the solar energy pumping system, serving a 200-hectare area recently installed under a joint project of U.S. AID and the French Aid and Cooperation Fund may point the way to powering water pumps, throughout the area. U.S. and French aid organizations are studying the whole range of alternative energy sources.

Ambitious industrialization plans along the river may be held back by the present highly inadequate communications and transport systems, as well as by shortages of skilled personnel and capital.

But the biggest problem is how far the million or so inhabitants living along the Senegal river will agree to revolutionize land tenure patterns, farming methods, cattle-raising practices and abandon ecologically harmful traditions such as using tree foliage for animal feed, burning of wood for cooking and heating, periodic burning of ground cover, excessive digging of water holes and insufficient rotation of crops.

At present the rural population practices nomadic cattle raising and "recession" agriculture, depending on the crown of sorghum, millet, niébé (a local cereal) and some vegetables from land flooded by the river. In a 15-year transition — there is talk of reducing it to five — an "artificial flood" will be released from the Manantali dam so that current practices can continue, while rural workers are trained to practice irrigated farming, to grow rice, maize, fruit, vegetables, sugar cane, feed crops and "sedentarized" animal husbandry.

Efforts by the World Bank and other donors to develop large, highly mechanized "polder" perimeters (tracts of arable land) on the river's edge in Senegal and Mauritania have proved a costly disappointment. The wage-earning, heavily indebted rural workers became alienated, OMVS officials claim, adding that the bank was far more concerned with "cost per hectare" than "cost per rehabilitated peasant."

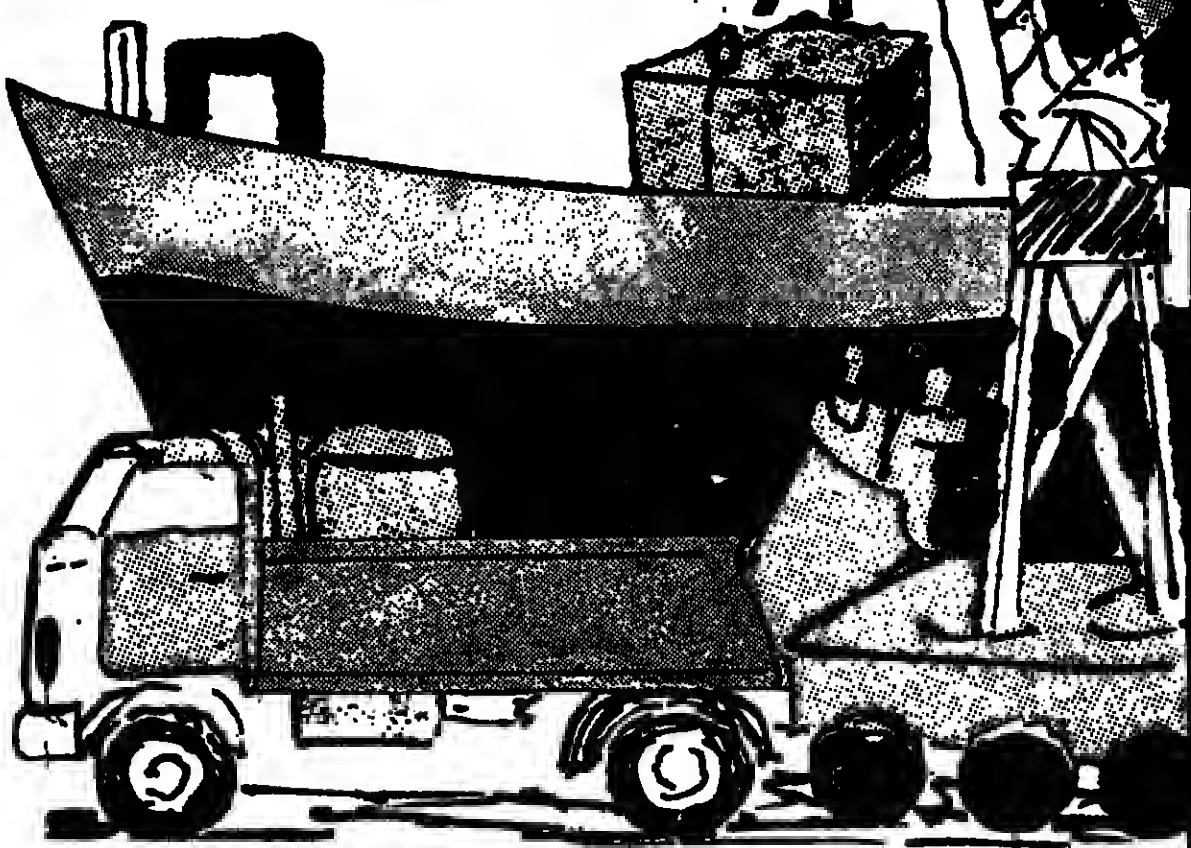
Small village-based perimeters with simple technology are the answer, the officials add. Their development costs at \$600 per hectare are 10 times less than those of large perimeters, and productivity levels and rural worker commitment are far greater, they point out.

But although the 100-odd small perimeters (mainly in Senegal) developed so far are attracting increasing interest — and foreign aid — it is highly doubtful whether the potential areas for irrigated agriculture resulting from the two dams (325,000 hectares from Manantali, 40,000 from Diama) will be developed even at the modest 5,000 hectare-a-year rate set by OMVS, due mainly to very slow progress in Mauritania and Mali.

Future tensions may also arise between the three states over whether the electricity-generating capacity of the Manantali dam should be expanded to meet ambitious plans by Mali for large-scale working of iron ore and bauxite deposits in the area and for the development of related industries. Under present plans, power production would have to be reduced in drought years to allow an adequate volume of water to flow downstream, which could also cause problems.

— V.W.L.

Our tradition is ~ Service with Courtesy



JOKI (NIGERIA) LIMITED

(Shipping, Clearing & Forwarding Agents)

3, Olofin Road, Apapa-Lagos

Tel: 48802, Cable: NIGCOWOKI, LAGOS

Branches throughout Nigeria.

If you could see our whole organisation, you'd understand how we can be so helpful to you in Africa

The Bank of Credit and Commerce Group has 156 offices in 32 countries. 45 of them are in Britain, and 18 are in Africa. All your banking business can be processed at branch level, no matter how complex it may be, or how wide the international ramifications. And you will find that besides our knowledge and experience of commercial banking, we have an extra commitment to personal service. Our on-line, real time computer system is an adjunct to this, not a substitute for it. It puts our whole worldwide network instantly at your service.

Contact us at our Regional Office: 9 Talat Harb Street, Cairo. Telephone: 33936. Telex: 2521 UN BCCI, or at the address below.



BANK OF CREDIT AND COMMERCE INTERNATIONAL

UNITED KINGDOM MAIN OFFICE: 100, LADE STREET, LONDON EC3A 5AD. TEL: 01-306 1000. FAX: 01-306 1001. BRANCHES: Bangladesh, Cayman Islands, Djibouti, Egypt, France, Ghana, Germany (West), Guinea, Hong Kong, India, Indonesia, Iran, Ivory Coast, Japan, Jordan, Kenya, Korea (South), Lebanon, Luxembourg, Mauritius, Morocco, Oman, Pakistan, Seychelles, Sudan, Switzerland, United Arab Emirates, United Kingdom, Venezuela, Yemen (North).

Handwritten signature or stamp.

The Need to Push Food Production for Home Use, Exports

KANO, Nigeria (IHT)—Where Africa was once an exporter of foodstuffs to the world, the situation in the nearly two decades since independence has been reversed. Today Africa is a net importer of food.

Despite the continent's vast natural resources, with abundant land, much of it good farming land with regular rainfall, and no shortage of labor, many areas of Africa have become increasingly dependent on food aid. The countryside has proved unable to feed the rapidly growing towns. Nutritional standards are falling.

The Economic Commission for Africa (ECA) has reported that "agricultural output per head remained virtually unchanged between 1960 and 1970." It puts the average rate of growth at only 2.5 percent between 1970 and 1975. However, the Food and Agriculture Organization (FAO) says the figure is even lower, at only 1 percent. As Africa's average population growth

is 2.9 percent, it can be seen that the continent is gradually falling behind in its efforts to feed itself.

West Africa's agricultural growth rate is put at only 1.9 percent by the ECA, which classifies it as one of the worst performing regions in the continent as a whole. Again it is a figure that significantly fails to keep up with a population growth of 2.7 percent. In its Survey of Economic Conditions for Africa in 1976-77, the ECA says that the only significant agricultural progress made in West Africa in the 1970s was in Gambia, Ghana, the Ivory Coast and Liberia.

According to the FAO, total agricultural production is less now in Togo, Mauritania and Mali than it was 18 years ago at the time of independence. When population growth is taken into account and production per head considered, the situation is far worse. The FAO finds that every West African country except the Ivory Coast and Si-

erra Leone is producing less now than at the time of independence.

Starting with a production index of 100 in 1961-65, Nigeria and Ghana are now down to 81, Guinea to 89, most of the Sahelian (sub-Saharan) countries to less than 90, while Togo is as low as 62. These figures have already made allowance for the comparatively good weather conditions of 1975-76.

The FAO comments, "Africa remains a problem. Despite improved results in 1976, when only five out of its 47 countries failed to increase production... this region (West Africa) continues to lag far behind the others."

African agriculture got off on the wrong foot after independence for a variety of reasons. In colonial times the continent had been treated as a producer of raw materials and cash crops, such as cotton, coffee, cocoa and tea, needed in the metropolitan capitals. Africans were never trained in modern farming techniques and were left to feed

themselves by traditional methods.

After independence, African leaders seized on industrialization as the quick road to riches. They did not encourage agriculture, thinking that it would condemn their people forever to be "hewers of wood and drawers of water."

A decade passed, and more realistic attitudes prevailed, but Africa was then faced with years of sub-normal rainfall culminating in the drought that decimated the Sahelian countries and seriously affected many neighboring states. Drought recurred in Gambia and in many parts of the Sahel in the last two years. The region is now waiting for the rains that are due.

As the cities grew and population growth rates advanced with improved medical science, Africa found it increasingly difficult to feed its growing urban populations. Young Africans scorned the monotonous subsistence existence of their fathers and deserted the countryside for the bright lights of the cities. The old folk who were left behind did not have the capital, the know-how, or the incentive to improve production enough to feed the cities.

Low Protein

Food production fell. West African farmers turned more to the easily grown starchy root crops like cassava, yams and tubers that provide a high-calorie, low-protein diet. Nutritional standards are falling. The World Food Conference of 1974 revealed that 25 percent of Africans had insufficient protein intake—a situation unmatched on any other continent.

Poor production meant that between 1968 and 1974 African food imports increased by 37 percent in volume and 229 percent in value. In addition, Africa is eating more of the traditional foodstuffs it once exported. In West Africa this is true of bananas, groundnuts, palm oil and products, cocoa and sugar.

Nigeria, which was once the biggest continental exporter of vegetable oils, is now finding it difficult to produce enough to feed itself. Palm oil production has been declining since the early 1960s. The small growers who once produced the bulk of the crop have been given little cash incentive, until the last few years, and have let their farms go back to bush. Meanwhile, consumption of red oil, produced by the first pressing of the palm nuts, has risen so that the whole crop is now used locally. As a result, palm oil exports, which totaled 143,000 tons in 1968, have stopped altogether since the civil war. Palm kernel exports have followed a similar pattern.

Groundnut production has also declined from levels of nearly a million tons in the mid-1960s to negligible amounts, with exports ceasing in 1974. The Nigerian government has since officially banned the exportation of groundnuts because there is insufficient production to keep even Nigeria's own oil mills running at capacity.

Rice

West Africans are developing a healthy appetite for rice, but there is a deficiency in this crop that can be so easily grown under irrigation. However, many governments, notably Liberia, Ghana and Sierra Leone, have started a concerted drive to grow more rice with assistance from the Chinese. Production has increased 20 percent since the mid-1960s to 7.7 million tons in 1972. Rice imports, which increased until they reached a million metric tons in 1974, are now on the decline.

Sugar is another crop in growing demand. West Africa is a net importer, mainly from East Africa and Mauritius, but ambitious plans in Ghana, the Ivory Coast, Nigeria, and smaller programs in Liberia, Sierra Leone and Benin should eventually make an impact.

Africa's production record has been, somewhat brighter in cash crops that are destined almost entirely for an export market.

West Africa's most valuable crops are coffee and cocoa.

Cocoa production in the region has been static since the 1960s. Ghana once produced well over 40 percent of the total, but its produc-

tion has been in decline since reaching a peak of 500,000 metric tons in 1965. Failure to replace old trees and give the cocoa crop the attention it needs has been a major cause of the economic weakness of the Ghanaian economy.

On the whole, West Africa is able to maintain the supply of its principle cash crops, except in the case of cotton. The poorer Sahelian states, which are the main growers, face the perennial problem of giving sufficient incentive to the labor

force to do the monotonous work of picking the crop.

Other cash crops are highly responsive to increased farm prices. There has been concrete evidence in recent years that the English-speaking governments have at last recognized that the farmers must be encouraged if agriculture is to survive. Better prices for farmers in Nigeria, Ghana, Sierra Leone and elsewhere have halted the decline of most cash crops and have encour-

aged the rise in production of rice and sugar.

But stimulating food production is a far more complex process. Price incentives are almost impossible to apply, and the small-scale, local farmer will respond only to real price levels prevailing in local markets. Changing the underlying structure of African agriculture involves the whole development process.

African governments are paying more lip service to giving priority

to rural development and agriculture; but, apart from a few countries, they have not yet decided to switch government revenue into extension services, research, food storage, better transport, marketing and producer prices. All of this implies restraining the living standards in the cities while the rural areas are allowed to catch up—and agricultural transformation is an agonizingly slow process with little to show for itself as one government succeeds another. —A.R.

Malnutrition the Key Health Problem

By Lynn Payer

PARIS (IHT)—At a tropical medicine symposium here last spring, representatives from a pharmaceutical firm doing research on tropical diseases scolded developed countries for their lack of interest in the medical problems of the Third World and asked that more money be spent on Third World health programs.

Toward the end of the conference, the two West Africans there made another point: If the developed countries were really interested in solving the medical problems of the Third World, they should adopt the economic policies that would allow Third World nations to develop.

"The health problems of the region are not isolated health problems," said Marc Gentilini, a professor of tropical medicine at the Hôpital de la Salpêtrière in Paris. "They are more economic problems and even more political problems. For example, if the political choice is made to develop the rural areas, the effect on health will be tremendous."

Although not everyone agrees that overall development should take precedence over specific health programs, nearly everyone does admit that the interrelationship between the two is complex.

The health problems undoubtedly impede development. Dr. Cheick Sow, of the Organisation de Coordination et de Coopération pour la Lutte contre les Grandes Endémies, in Bobo Dioulasso, Upper Volta, said: "Malaria and intestinal parasites affect nearly the entire population, resulting in a lowering of productivity. Malaria is a particularly striking example because it is during the rainy season, when the fields require the most manpower

and work, that the mosquito populations are greatest and malaria is most easily transmitted."

Another disease, onchocerciasis or river blindness, led to the abandonment of fertile valleys in Upper Volta, he added. This disease is now the object of an extensive control program.

Preventable

But nearly all the most severe tropical diseases can be either prevented, cured or at least controlled—even though the methods might be cumbersome—if the money, manpower and infrastructure could be found.

By far the most important health problem in the region as a whole is undernutrition, mainly in the Sahel region below the Sahara, and malnutrition throughout West Africa. While this is chiefly a development problem, it is aggravated by the specific diseases of the region, in particular the intestinal parasites, which consume an estimated 15 percent of an already inadequate food supply.

"In Upper Volta," said Dr. Gentilini, "it is estimated that of 100 tons of rice, 15 are lost to rodents and 15 to intestinal parasites."

Someone with fever, too, burns more calories than someone with a normal body temperature. And the infant mortality, estimated at 50 percent before the age of five in many regions, represents a tremendous use of calories by children who ultimately do not survive.

While disease aggravates an already precarious food supply, the malnutrition aggravates the diseases, making ordinarily innocent infectious diseases deadly.

One such example is measles. Considered so benign in many European countries that the vaccine is

not widely used, it is one of the chief causes of infant mortality in West Africa. The disease could theoretically be fought in one of two ways, either by improving overall nutrition or by vaccinating.

According to Dr. Ralph Henderson, program manager of the Expanded Program on Immunization of the World Health Organization, immunization is easier.

Immunization

"Immunization requires the least effort in the way of behavioral modification. Changing nutrition is much more difficult—interfering with eating habits is intruding on an intimate value system," he said. But vaccination programs need infrastructure, which in the case of measles vaccine means not only roads and communications but also refrigerators. Measles vaccine is particularly fragile and requires a tight cold-chain from the minute the vaccine is made to the minute it enters the child's arm.

"We've had instances," said Dr. Henderson, "where the health team had been extremely careful about keeping the freeze-dried vaccine cold but diluted it at the last minute with warm water, totally ruining the vaccine and causing epidemics of measles in vaccinated children."

Such fiascos—particularly with a disease like measles, which is extremely visible—destroy the credibility of vaccination programs in West Africa, as they would elsewhere.

There is also the question of when to vaccinate. Children are protected as long as they are breast-fed, and immunization will not take until breast-feeding stops.

One participant in a symposium on vaccination said that in Abidjan

it was discovered that as long as families are crowded together, it is almost impossible to vaccinate effectively. Infants are exposed to the virus nearly as soon as they are weaned, he said, starting to catch the disease at six months. By the age of one year, almost all have had the disease. As families begin to acquire larger living quarters, newly weaned infants are less exposed to the measles virus and there is an interval in which vaccination can be carried out.

'Living Space'

"The solution to the measles vaccination problem," he concluded, "is more living space."

The situation is further complicated by the fact that development is not an unmitigated blessing as far as health is concerned. Bottle-feeding, which seems to go along with urbanization, is thought to have greatly increased infant mortality. And irrigation systems built with the ultimate aim of providing more food may prove excellent breeding grounds for disease-causing parasites as well as for malaria mosquitoes.

But some progress has been made. The World Health Organization's campaign to eliminate smallpox has succeeded even though its malaria control has failed—the former considered by many to be one of the easiest health problems to solve and the latter the most difficult. In addition, Dr. Colette Emmet, director of the Institute of Public Hygiene in Abidjan, says that there is progress against yellow fever; and that the projects of many countries to provide potable water of adequate quality and quantity have greatly reduced the incidence of water-borne diseases.

Ivory Coast: New Farming Strategies

BOUAKE, Ivory Coast (IHT)—Located about 500 kilometers inland, in the heart of the vast savanna, this country's second largest town symbolizes the new departures in the nation's agriculture, so far based on inefficient subsistence farming and highly profitable export crops.

A town with 230,000 inhabitants, Bouake is to be the headquarters of the vast new Savanna Regional Development Authority (Société de Développement Régional des Savannes), responsible for the underdeveloped northern sector, which covers 55 percent of the country. Using \$500 million allocated to savanna agriculture under the 1976-80 development plan, the authority will be charged with reorganizing the often uncoordinated activities of state-owned companies based on one product. It will promote environmentally sound, small-farmer-oriented development, with the accent on cotton, rice, soybeans, sugar, fruit, vegetables and animal husbandry.

Soils

Bouake is also the site of the Ivory Coast's ultra-modern television center, which receives educational programs via satellite from Western Europe for retransmission. Through its popular "Télé pour Tous" slot and farmers' "Coup de Progrès" contests, and thanks to an ambitious plan to construct viewing halls in villages throughout the country, Ivory Coast television will play a key role in introducing new methods and cultures to rural workers.

Nearby, the UN-financed Pedology Institute will, it is hoped, prove to be the basis of a future national soil service. "Ivory Coast soils are promising, but their structures are so varied, that failure to respect this variety can lead to disaster," the institute's Director, Dr. Renato Carucci of Italy, states. The institute has been carrying out soil surveys in new lands being opened around the 1,720-square-kilometer lake formed above nearby Kossou dam.

The Autorité pour l'Aménagement de la Vallée du Bandama (AVB), charged with developing this new area, has constructed 70 villages, resettled some 47,000 persons displaced by the lake and trained more than 3,000 fishermen. Farmers are being taught new cultures and farming methods by Ivorian, UN and foreign experts who are testing animal feeds, animal husbandry techniques and foreign strains of fruit and vegetables in local state-owned research and demonstration stations.

At a later stage, agricultural output from the new lands will provide the basis for a network of processing industries in the Bouake area.

Areas around two other dams being built in the central Ivory Coast hope to take advantage of the experience gained by AVB.

Two further regional authorities are to be set up to develop the central belt, where mainly coffee and cocoa are grown, as well as the southern palm oil and pineapple belt—and particularly to open up the forest lands around San Pedro port, which is 300 kilometers west of Abidjan.

Since independence in 1960, the

Ivory Coast has become the world's third largest exporter of coffee, cocoa and palm oil and the leading exporter of fresh pineapples. Minor export crops include bananas, copra and cotton. The marketing board (La Caisse de Stabilisation) has paid guaranteed producer prices to low-income farmers raising coffee and cocoa, as well as to mainly state-owned units producing copra, oilseeds, tobacco and avocados, protecting them from fluctuations in world prices. The board also markets products abroad and helps finance development activities.

A generous welcome to foreign investors and experts (giving them tax relief and other benefits), together with a good international credit rating and earnings from agricultural exports (some 75 percent of total earnings) have been the motor of the Ivory Coast's economic miracle. The real increase in gross domestic product (GDP) has averaged 7.5 percent a year between 1960 and 1977, and the per capita income of its 7.3 million people now tops \$900. In the same period, industry increased output from \$87 million to \$1.3 billion, with the agro-industrial sector accounting for more than one-third of total turnover. Meanwhile, the contribution of agriculture to GDP dropped from 46 percent to 32 percent as the rural population went from 85 percent to 65 percent of the total.

Reappraisal

As a result of this rapid rural exodus, Abidjan, the ultramodern, highly sophisticated capital, has grown from 190,000 inhabitants in 1960 to 1.2 million this year, swollen by poor rural workers looking for scarce jobs and higher incomes. Annual farm incomes vary from \$150 to \$300 a head, way below the national average.

This shift in population and the change in world economic conditions have forced a broad reorientation and reappraisal of Ivorian agricultural policy. Until 1973, urban demand for protein products was met by importing cattle on the hoof from neighboring Upper Volta and fish from Mali. But the Sahelian drought drastically cut supplies, forcing the Ivory Coast to turn to the far more expensive world market. At the same time, import bills for rice, fruit, vegetables and dairy products, not to mention oil and industrial goods, skyrocketed with international inflation.

Future prospects for better prices for coffee and cocoa, which still account for 50 percent of agricultural exports, depend on the successful negotiation of new price ranges under the existing international commodity agreements. But the Agriculture Minister, Denis Bra Kanom, sees little hope of this right now.

"Consequently," he explains, "our new agricultural strategy is based not only on further diversification and development of our most promising export crops, but also on attaining self-sufficiency in key foodstuffs, and developing the quality of life in rural areas."

Coffee production will be boosted from 250,000 tons last year to 360,000 tons in 1985, with exten-

sive replanting of the arabusta strain, a hybrid of arabica and robusta, specially developed by the Institut Français du Café et du Cacao.

Cocoa production, 285,000 tons this year, should reach 430,000 tons in 1985, putting the Ivory Coast ahead of Ghana and Nigeria. Processing capacity for both products will be expanded. Other production targets for 1980 provide for 1 million tons of palm oil, 21,000 tons of rubber, 100,000 tons of cotton, 200,000 tons of bananas and 210,000 tons of pineapples. The bulk will be for export, although increasing amounts of these products will be processed in the Ivory Coast as part of ambitious plans to extend the agro-industrial sector.

Self-Sufficiency

A second series of targets provide for self-sufficiency by 1985 in fruit, vegetables, sugar, fish and most types of meat, with far higher production of traditional staples such as manioc and yams and the introduction of groundnuts. The continued expansion of irrigated rice perimeters around the new dams, as well as rain-fed cultures, should insure self-sufficiency, while the soybean plan being drawn up with Brazilian help should result in a 1-million-ton crop of this high-protein food by 1985.

There are further targets for the development of silk, cotton and forestry, with the last to be put on a more ecologically sound basis than previously.

But Mr. Bra Kanom admits that such targets can only be reached if accompanied by wide-ranging reorganization of agricultural structures, improved living conditions and incomes, incentives to stay on the land for rural workers and better extension services to introduce new methods and products. Mr. Bra Kanom has announced that state-owned plantations, now largely worked by the Ivory Coast's one million foreign migrant workers, should be turned over to Ivorian rural workers' management and ownership. The National Agricultural Bank (Banque Nationale de Développement Agricole) is being prodded to finance integrated village or cooperative projects rather than projects of state-owned companies. However, while cocoa and coffee growers have formed marketing cooperatives, few producer cooperatives have emerged so far.

Mr. Bra Kanom also sees the need to develop social and educational services in rural areas, mobilize savings to improve housing and introduce a mix of technologies that will raise productivity without destroying jobs. In some areas, however, such as rubber, mechanization seems to be the only way to get around the local labor shortage since most rural Ivorians are reluctant to move away from their places of birth.

With 52 percent of this country's fast-growing population under 19 years of age, foreign observers see the future social and political stability of the Ivory Coast largely dependent on how far this youth can be persuaded to stay on the land.

—V.W.-L.

Commercial relations with Sénégal

INFORMATION • FEASIBILITY STUDIES • ADVERTISING

**CENTRE
SENEGALAIS
DU COMMERCE
EXTERIEUR**

INTERNATIONAL CENTER FOR TRADE PROMOTION
BP 8166 Dakar - Tel. 511.11 - 511.70 - Telex 430 SG

At the request of the
UNITED NATIONS ECONOMIC COMMISSION FOR AFRICA

AFRICAN TAX SYSTEMS

a project of the international bureau of fiscal documentation

• Issues first • appears 1980 pages • updated quarterly by 40 • separate English and French editions
A major contribution to the better understanding of the tax systems of the developing countries of Africa. AFRICAN TAX SYSTEMS is the result of five years of exhaustive research by the International Bureau of Fiscal Documentation and presents, for the first time, a detailed comparative survey, following common outlines, of the direct and indirect taxation in these countries of both corporations and individuals.

Contents: Country Surveys
• Direct Taxes
(Individuals and Companies)
• Indirect Taxes
Fiscal Aspects of International
Economic Cooperation in Africa
Documentation

Price: 600 Dutch Guilders including postage, packing and 1978 quarterly supplements by air
Reprints of The documents: analysis and VAT (1978)

International bureau of fiscal documentation •
mulderpoort - sephardstraat 124 - amsterdam-centrum
telephone: 020 - 23 57 23 telex: 13217 Intax nl



To Africa, Asia and Pacific fly UTA.

How well do you know UTA?
Did you know that UTA, a member of IATA, is Europe's leading independent airline. For 40 years, UTA has been the only airline specializing in flights to Africa, Asia and Pacific.

Today, flying DC8 and DC10, UTA regularly serves 46 cities in 40 countries with direct and quick flights, from Europe to Africa and from France to Asia and Pacific. Fly UTA.

UTA
French Airlines



The business center of Abidjan, often described as a tropical Manhattan.

Ivory Coast: Will Oil Transform this Essentially Agricultural Economy?

THE Ivory Coast became an independent country on August 7th, 1960.

It was then an undeveloped and purely agricultural economy. The French had left prosperous coffee and cocoa plantations, there were rich forests producing excellent hardwoods, and at Abidjan there was a fine deep-water port. There was no industry to speak of.

Eighteen years later, the country's GNP in constant money terms has more than tripled. It has become the world's leading source of cocoa, and the third largest for coffee behind Brazil and Colombia. The Ivory Coast has a steady growth rate of around 6% per year, and it is a haven for migrant workers who today make up 20% of its population.

Under its President, Mr. Felix Houphouët-Boigny, it has given the African Continent a rare example of political stability. Significantly, its European population of 12,000 at the time of independence has now multiplied by nearly 5.

The Ivory Coast is still, and for many years will remain, a predominantly agricultural economy. There are ambitious plans for extending this agriculture from which two thirds of the country's population live directly, and massive exports of agricultural products are being used as a basis for financing the country's development program. The worlds growing need for food products provides an excellent opportunity for expansion in countries like the Ivory Coast.

The country's plans for industrialization are also based on agriculture. President Houphouët-Boigny's Government has for the time being rejected all ambitions of developing heavy industry. The aim is thus to develop local transformation of the food products the Ivory Coast produces, using the country's excellent labor resources and potential for hydraulic electricity production, to increase the added value of its exports and fortify its balance of payments, which has incidentally never been in deficit, through import substitution.

However, last year something happened that could radically change the whole situation. The first production well in the Ivory Coast offshore oilfield came on stream.

It is not at present expected that this important development will modify the country's basic choices. When the President of the Republic announced the news to the nation, he repeated "Our insurance for the future resides in our fields, in our forests, in the industry we are building."

Nevertheless, it will make an enormous difference to the country. No-one yet knows how large the oil deposits will prove to be, but it looks as if they will supply all the country's hydrocarbon

needs by 1980. This will relieve the country of the enormous burden that the recent upheavals in the world oil market have imposed on the Third-World countries. As the Chief of State said: "The discovery will give us the immense advantage of not being dependent on world prices for our energy needs." It will also make possible welcome savings in foreign currency, which is urgently needed to purchase consumer goods and equipment to improve the nation's living standards. And it will help develop the country, which is such an important factor in achieving overall economic progress. And finally, oil will help finance the major new developments planned for agriculture, enabling it to modernize its technology and invest in badly-needed agricultural machinery.

Agriculture, Mainstay Of the Economy

The country's President, Mr. Houphouët-Boigny, was once a planter himself. He has personal experience of the problems of agriculture.

Since independence, considerable progress has been achieved in this basic sector of the country's economy. From a situation in which two thirds of the country's population live directly, and massive exports of agricultural products are being used as a basis for financing the country's development program, the worlds growing need for food products provides an excellent opportunity for expansion in countries like the Ivory Coast.

Coffee, however, still remains the principal crop.

Arabusta
Though the share of coffee in the exports of the Ivory Coast has fallen from 60% to 30% in the 18 years since independence, production of this crop has never ceased to grow in absolute terms. From 137,000 tons in 1960, production increased to 290,000 tons in 1977. Most of this is of the Robusta variety, of which the Ivory Coast is the world's leading producer. Most of the plantations are small family or village enterprises of 5 acres or less. There are some 280,000 of them covering a surface area of some 3 million acres. Out of the 7 million inhabitants of the country, 2 1/2 millions derive their livelihood, directly or indirectly, from coffee.

It is still cultivated by traditional methods. Government policy is to encourage the replacement of old coffee trees by new selected varieties giving an increased crop of higher quality, rather than to extend the areas cultivated. This policy has led to the introduction of the Arabusta variety, a cross between the traditional Robusta, which grows well in the region, and Arabica, which is much sought after for its taste.

World Leader for Cocoa

In 1978, for the first time, the Ivory Coast became the world's leading producer of cocoa. This is partly explained by the problems met with by Ghana which some 12 years ago used to produce

560,000 tons as against the Ivory Coast's 148,000. Nevertheless, the fact remains that in 1976-1977, the Ivory Coast produced 290,000 tons of cocoa, as against 278,000 in Ghana, 249,000 in Brazil and 210,000 in Nigeria. Like coffee, cocoa is grown mainly on small plantations in the forest zones. Often the farmers grow both crops together. The Ivory Coast has set itself an objective of producing 335,000 tons by 1980. Thanks to consistent growth, made possible partly by painstaking campaigns against parasites, it looks as though this objective will be achieved. 80% of the country's cocoa is exported in the form of beans, and only 20% in the form of finished products.

These proportions will change as the local chocolate industry develops. Most of this cocoa is bought by Holland, and this makes this country second only to France as an importer of Ivorian products.

Planned Growth For Other Agricultural Products

Edible oils at present account for 6% of agricultural production. This is the result of two important Government initiatives: the palm-oil plan, which got under way in 1963, and the coconut plan which started in 1967.

Subsequently, the Ivory Coast became in the space of a few years one of the main palm-oil producers in the world and is the second largest exporter of this product in Africa.

Banana and pineapple production has also developed fast in the last 10 years. The banana crop grew steadily until 1972, when it reached the figure of 200,000 tons, though this figure fell off in the following year due to drought. However, pineapple production has continued to grow very rapidly. Fresh-pineapple exports have quadrupled since independence, and the Ivory Coast is now the world leader for canned pineapple with a production of 150,000 tons a year.

Production to international standards involves considerable waste, of the order of 13 to 14,000 tons a year. Studies have been carried out on the possibility of using these, and they have demonstrated the feasibility of freezing and freeze-drying much of this valuable material to produce juice, and also powder for use in the biscuit and dietetic industries.

Similar studies are being carried out for bananas. Cotton is another crop of growing importance, and local spinning, weaving and garment-manufacture industries have grown up. Rubber too is undergoing spectacular development. There are large plantations to the west of the country whose output it is planned to increase from the present figure of 18,000 tons to

47,000 in 1985. The most ambitious agricultural project of all is for sugar: 10 years ago there was no sugar cane here, but it is hoped to produce 300,000 tons by 1985, including about 200,000 tons for export. There will be 7 sugar refineries in the north of the country, an area that has so far known little investment. The success of this project, of course, depends on world sugar prices, which are at present very low.

Food for Local Consumption

Unlike the Sahel countries to the North, the Ivory Coast has never experienced famine. Its soil is rich. Not only has its population considerably increased, but it has become more prosperous and is demanding a higher standard of living. Thus the traditional staple diet of manioc and yams is being supplemented by rice, bread and meat. Hitherto, these more sophisticated foodstuffs have often had to be imported, but the aim is to achieve self-sufficiency, particularly in rice, in the near future. Fishing is an important industry on the coast. A fleet of trawlers will soon be operational and the Port of Abidjan has the necessary facilities for rapid distribution of their catch.

The only subject for worry in the primary sector is the forest. Timber was once the Ivory Coast's leading source of income, and it is still its third. However, intensive exploitation has considerably reduced the surface area of the tropical forest: it has fallen from some 30 million acres in 1956 to 12 million in 1977. If the present felling rate of above 1,100,000 acres per year is continued there will be no more usable wood in 1985. The Government is under pressure both from the planters, who want to increase their acreage, and from the wood industry, which wants to continue or even increase felling. However, it has adopted a five-year plan the objective of which is to maintain some 12 million acres of forest, and to reconstitute it progressively through replanting, especially highly-sought-after species such as teak and frame.



The oil refinery at Vridi. Crude is already flowing from a recently discovered field offshore.

Industry in the Ivory Coast

The country's long-term strategy, then, is to develop its agriculture and to create added value through local transformation, and to reduce dependence on foreign countries through import substitution.

In 1960, there were less than 10,000 wage-earners in industrial enterprises in the country. Today, there are more than 60,000 in over 500 companies, and many ambitious projects are at the planning stage. By the year 2000, the Ivory Coast will be a developed country. And it is already the most industrialized of the French-speaking African countries. The most important industries at present established or at an advanced stage of planning are:

Textiles: spinning, transformation and cloth-garment manufacture, employing some 11,000 workers. Among the products produced, the most important is cloth for jeans, most of which is produced and exported by a subsidiary of the American Bluebell Inc.

Paper pulp: an important project for making paper pulp is planned for the San Pedro region, to the West of the country.

Protein extraction: plans exist and partners are being sought for developing the extraction of protein from cotton meal and from alfalfa.

Sugar refineries: one refinery has been operational since 1975 and five more should have been commissioned by 1980. Total production will then be around 300,000 tons most of which will be available for export. It is also planned to develop associated industries for the manufacture of pharmaceutical alcohol, acetic acid, and yeasts.

Rubber: only 10% of total production, i.e. about 15,000 tons, is at present transformed in the country, but big developments are planned.

Other industries include the milling of imported flour, oil refining, car assembly, ship repairing and of course tourism.

OIL - THE BIG QUESTION MARK

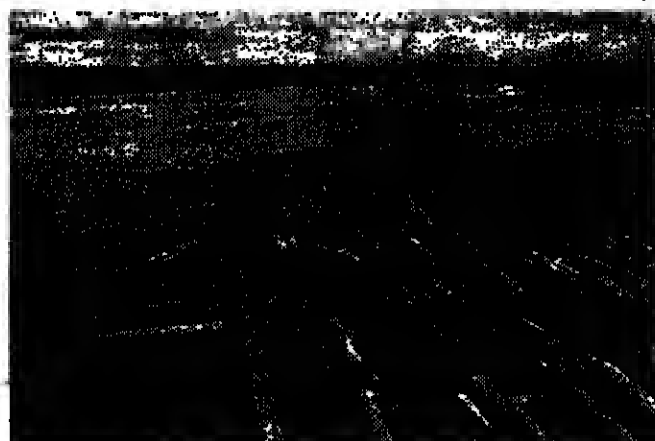
Exploration for oil has been under way since 1971 by major international companies on the Continental Shelf offshore of the Ivory Coast. Promising discoveries were made in 1974, and the first production well was brought on stream in October last year. It is much too early to say how much oil is there and the Ivory Coast Government is deliberately soft-peddling the prospects for the future. However, production should partly cover domestic needs by 1980 or 1981, and this will lead to large savings of foreign currency.

The Ivory Coast is thus one of the best examples of countries that have successfully managed their transition from a former colonial past. It is stable politically, has good natural resources, and both its GNP and the living standards of its population are rising steadily.

Investment in the Ivory Coast

- full facilities for transferring capital out of the country.
- an extremely flexible taxation system.
- tax-free entry for equipment and raw material used for production purposes.
- investment regulations that are the most liberal in French-speaking Africa.

Full details from the Bureau de Développement Industriel, BP 4196 Abidjan. Telephones 32.42.96 or 32.42.13. Telex BURDEVI 793. In Paris: 24 Bd. Suchet, 75016 Paris. Telephone: 524.43.28.



Consignments of hardwood ready for shipping. Photo Hoo-qui

ABIDJAN: ONE OF WEST AFRICA'S LEADING CITIES

At the end of the 19th Century, it was still a small fishing village without any special name, on the banks of the Ebrie lagoon. The name "Abidjan" is the result of a misunderstanding: French officers asked a peasant the name of the village, but he thought they were asking him where he had been; he said he had been cutting wood, and his reply, transliterated into French, duly went onto the map.

The first European traders established themselves at Grand Bassam, directly on the coast. Many of their large, comfortable, old-fashioned houses are still there. But the site was too exposed to be a successful port, and the wharf was destroyed twice by storms.

In 1904, the French Authorities decided to build a railway from the coast to the Niger river in the North. Abidjan was chosen as the railhead, and this naturally became the country's capital.

Agricultural products, wood and rubber flowed down from the interior to the coast, and at Abidjan were laboriously transhipped across the narrow isthmus to the sea.

The next obvious step was to cut a canal through this isthmus, to give direct access

for ocean-going ships to a sheltered port in the lagoon. It was only in 1950, at the third attempt, that this canal was finally opened.

Abidjan is now one of the best ports in Western Africa, serving nearly 3,000 ships a year, and with a prosperous and expanding fishing fleet.

It has become the second tuna port in Africa. The harbor of Abidjan offers rapid unloading facilities (waiting is never more than 36 hours) and complete security. The city, with more than a million inhabitants, has an ultra-modern central area and many international class hotels.

Abidjan offers every facility to welcome businessmen and tourists. The airport, a short distance from the city, is well served by international airlines, and is already the biggest in French-speaking Africa; a British firm of consultants has been appointed to extend it. Domestic services to the country's other main centers are provided by the local airline, Air Ivair.

The railway, which has not been extended, connects Abidjan with Ouagadougou, the Capital of Upper Volta. However, a considerable effort has been made to develop the country's road system, which totals some 25,000 miles which are steadily being paved.



Cotton—a crop of growing importance, much of which is transformed locally. Photo Hoo-qui

APR 1978

The Talking Drums Beat an Ambiguous Message to Tourists

By Alan Hurchison

BANJUL, Gambia (IHT) — West Africa is an ambiguous place for the tourist to visit. The distances are daunting, the climate humid, the wildlife hard to see and the people difficult to photograph. With a few honorable exceptions, the food is awful. Yet the rewards — staggering scenery, hospitality and the chance to observe young nations at an early stage of their development — can be enormous. For the observant traveler, West Africa is a stimulating destination; for the package tourist, the beaches are made of sand as beaches are elsewhere.

A token tourist industry exists in all the countries in the Economic Community of West Africa States (Ecowas), but it is the coastal states that have been the first to exploit their natural advantages. Gambia, the Ivory Coast, Senegal, and to a lesser extent Ghana, Sierra Leone, Togo and Benin, all offer vacations to sun seekers during the European winter. And in recent years there has been a small increase in the number of black Americans and Brazilians "going back" to West Africa to discover their roots.

The landlocked countries appeal less to the holidaymaker than to the serious student of African history and culture, or the anthropologist. But what adventurous travelers could resist the call of places with names like Ouagadougou, Dogondouchi, Bobo Dioulasso or even Timbuktu? The most interesting way to travel inland is to take the very comfortable train from Dakar



A contrast in living styles, Nigeria.

to Bamako, the Malian capital. Hot croissants are served for breakfast as the train chugs alongside a line of Tuaregs on camelback.

Like other parts of the developing world, West Africa has had to consider carefully the economic and cultural implications of tourism. Many of the people within this area live at subsistence level, and

those in authority regard with distaste the prospect of well-heeled visitors coming to gawk at some of the world's poorest people and photograph their folksy rites. The corresponding danger is that tourists will be herded into enclosed ghettos, cut off from the country they have come to visit. The balance has to be found.

The economic balance sheet is equally difficult to strike. At one time nearly all African countries thought that tourist revenue was the answer to their foreign exchange shortages. But while tourists have brought money in, a great deal of foreign exchange has flowed out to build and equip new hotels, import foreign food and drink, and

employ expatriate staff. Tour operators have collected fare and accommodation money in the originating countries, leaving the host country to collect only local spending money. The equation is somewhat balanced by the employment that tourism generates, as well as by the encouragement it gives to local farmers to produce more food

and to craftsmen to produce more souvenirs.

Gambia is a country that has weighed all these arguments and decided to develop the tourist industry. As a small country virtually dependent on one crop, groundnuts, for its survival, Gambia was anxious to find some other source of revenue. The few hundred visitors arriving in the late 1960s have now increased to around 25,000 a year, coming mainly from Scandinavia, during the dry October-to-May season. Gambia benefits by about \$3.5 million a year, which may not seem much until one realizes that the entire population of this country is only 500,000.

Up the Market

The airport at Yundum is undergoing modernization to enable jumbo jets to land, and it is hoped that the country will be accommodating 30,000 visitors a year by 1980. A first-class hotel is also planned; at present there are none, which means Gambia may well be confined to package tourists, whose taste buds are accustomed to "one beer and two glasses" and "moral laxness" are causing concern. Gambian elders, apparently, are worried by the emergence of the professional beach boy and the possibly corrupting effect large crowds of foreigners with strange habits can have on a small population. One's abiding impression of Gambia, however, where cricket is played in Banjul's main square, is of a relaxed and friendly people who will

lay out the welcome mat for anyone who visits their country.

Down the coast, but up the market, is the Ivory Coast, which has developed the most sophisticated tourist industry of any Ecowas country. Here the emphasis has been mainly on seaside resort complexes, like the Club Méditerranée resort at Assinie, and others at Assouline, Gouessessou and Beaudiali. The tourists expect, and get, French wine, good food and efficient facilities. But they have to pay for it: Like other former French colonies, the Ivory Coast suffers from an overvalued currency and the cost of living is extremely high. A good double room at the Ivorie, the 750-bed luxury hotel at Abidjan, costs about \$72 a night without breakfast. But Abidjan does boast over 1,500 first-class rooms and is actively bidding for the lucrative international conference market. At present some 45,000 tourists a year spend an estimated \$20 million visiting the Ivory Coast, and the long-term plans are to expand facilities for 300,000 visitors a year.

Dilemma

The Ivory Coast epitomizes the dilemma experienced by other developing countries trying to exploit their tourist potential: The tourist is attracted to a holiday in Africa by the lure of romance, excitement and adventure — which he or she wants to experience in comfort and without danger. Since the reality of Africa is quite different — poverty, ignorance and disease are certainly

more common than romance and adventure — "real" Africa has to be dressed up in tribal grasspaint, phoney war dances and dubious rituals.

Quotations from official Ivorian tourist literature give a flavor of this tourist demimonde. In Yaoundé country you will, apparently, be "dipped into mystery" and "opportunities are not lacking to practice the ancient rites," while at Abengourou "songs and ritual dances will welcome your arrival. The whole population will be there. The whole country will be happy. While sitting next to the king you will attend the ceremonies including folklore and ancestral traditions."

Disneyland

These quotations are not presented to criticize the Ivorians, who in fact organize this sort of safari better than most. But the tourist might as well be in Disneyland. He is clearly not coming into contact with an Africa recognizable to anyone who lives there, and this puts a question mark over the whole West African tourist business.

West Africa probably holds greater appeal for the singular visitor, someone with time on his hands and a bent for traveling long distances, preferably by the local "Mammy Wagons" or the Peugeot station wagons that ply up and down the coast. From this vantage point one can savor the humor, the intimacy and the vitality of West Africa at close quarters.

Surrounding the tourist is a society with one foot in the modern world, the other still planted in a more ancient world governed by natural rhythms and superstitions. The skyscrapers of Lagos and Abidjan have their counterparts in the mud-built mosques of Ghana and Mali; the tractor and the wooden plough work side by side and the Nigerian civil servant goes home weekends to change his suit for the extravagant regalia of an ancient title. The Western world seems anemic by comparison. The talking drums of West Africa have beaten out an ambiguous message to the tourist, but those who respond in the right way will never forget the experience.

Women Merchants Are Blamed for Price Distortion, Inflation

By Cameron Duodu

ACCRA, Ghana (IHT) — West Africa's women merchants — or "market mammys" — have never recognized the borders artificially created by the British, the Germans and the French during the scramble for Africa in the 1880s.

They were the first Pan-Africanists, and for years they have crisscrossed the borders of present-day Ghana, Togo, Benin, Nigeria, Cameroon, Zaire and the Congo, occasionally visiting the Ivory Coast, Sierra Leone, Liberia and Senegal. The more adventurous even travel as far north as Upper Volta, Niger and Mali.

These women traders are regarded with disfavor, even anger, by some governments critical of their selling procedures. They have been accused of distorting prices and, in Nigeria, blamed for increasing inflation. But the women claim they work hard to earn their profits, and they are not without influence.

The Ghanaian and Nigerian traders call the French-speaking areas "French Line," and the goods they have sought from "the line" have traditionally been those that their austere British masters and their successors deemed fit to tax heavily — perfume, wines, liquor and cigarettes. Special textiles such as Dumas cloth from France, lace, velvet and brocade, which the gov-



Interstate transport by 'mammy wagons.'

ernments of Ghana and Nigeria have classed as luxury goods, also attract the interest of the women.

Their grapevine infallibly provides them with the current exchange rates of the various currencies in the thriving black markets

that flourish all over West Africa. They also know what bribes are favored by personnel at the border and customs posts — corned beef, canned sardines and sugar for the Ghanaians, for example, or loaves of bread, bags of rice and powdered

maize for the Togolese and, of course, easily converted money — preferably U.S. dollars.

Behind the importers is a vast network of other traders, who either occupy stalls in the markets of the urban areas or who have shops

and kiosks on street corners and in homes. Still lower down the line are the women who carry head trays. They either crowd the pavements or saunter along, suddenly dashing into an office or, dodging other vehicles, running after a stopped car or bus. Some may have babies perched on their backs.

"Governments may not like us, but they cannot deny that we work hard," said a woman merchant in Accra's Makola Market. She was referring to the unpopularity of Ghana's women merchants, who are blamed for the high cost of goods in that inflation-ridden country.

"We've got to know where the goods are. Then we have to pay a commission to the shop manager so as to get a consignment. Then we have to sit under the hot sun to sell to the public. Yet when we charge a high price in order to make a profit, they set price control officers on us to take us to prison," she complained. (On May 9, a pregnant woman was sentenced to a four-year prison term by an Accra circuit court for selling four cans of milk for \$3.48 instead of the official price of 83 cents.)

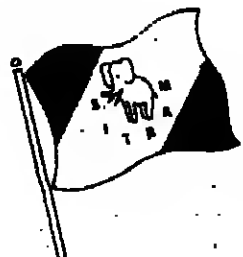
The government's anger at the women is real, indeed. It accuses them of distorting prices by bidding goods when they are plentiful, only to bring them out at exorbitant prices when the supply decreases. At one stage, the government

banned the women from selling essential commodities — goods such as milk, canned fish, soap, sugar and baby foods. Only specially designated supermarkets could sell such items. But the women fought a rear-guard action against the measure, and the goods disappeared from the supermarkets at such a rate that the government had to lift its ban and allow the women to sell the items once again.

Even in oil-rich Nigeria, where the supply of essential commodities is infinitely better than in Ghana, the government accuses the market women of helping to increase inflation. The fact that many of the wealthier women traders flaunt their riches in public has so angered the Nigerian government that last year it banned the importation of lace, hoping thereby to discourage women from wearing expensive lace dresses to parties where Nigerians conspicuously consume. (Champagne was also banned at the same time.)

But the government was disappointed. In its latest budget, announced in April, it banned jewelry imports. As the federal commissioner of finance, Maj. Gen. James Oluwale, said, "Since the decree banning the importation of lace, jewelry has become the heaviest consumer of foreign exchange, with Nigerian women always in Cairo, Beirut or Switzerland, in search of gold."

SITRAM / IVORY COAST NATIONAL SHIPPING FLEET
MAIN SHIPPING AGENCIES: ABIDJAN/ PARIS
FRUIT CARRIERS
GENERAL CARGO CARRIERS
NORTH ATLANTIC
AFRICAN PORTS SERVED: DAKAR ABIDJAN/ SAN PEDRO/ LOME/ DOUALA
EUROPEAN PORTS SERVED: BORDEAUX/ LA PALlice
NANTES/ CAEN/ ROUEN/ LE HAVRE/ DUNKERQUE
ANTWERP/ FLUSHING/ AMSTERDAM/ ROTTERDAM
BREMEN/ HAMBURG



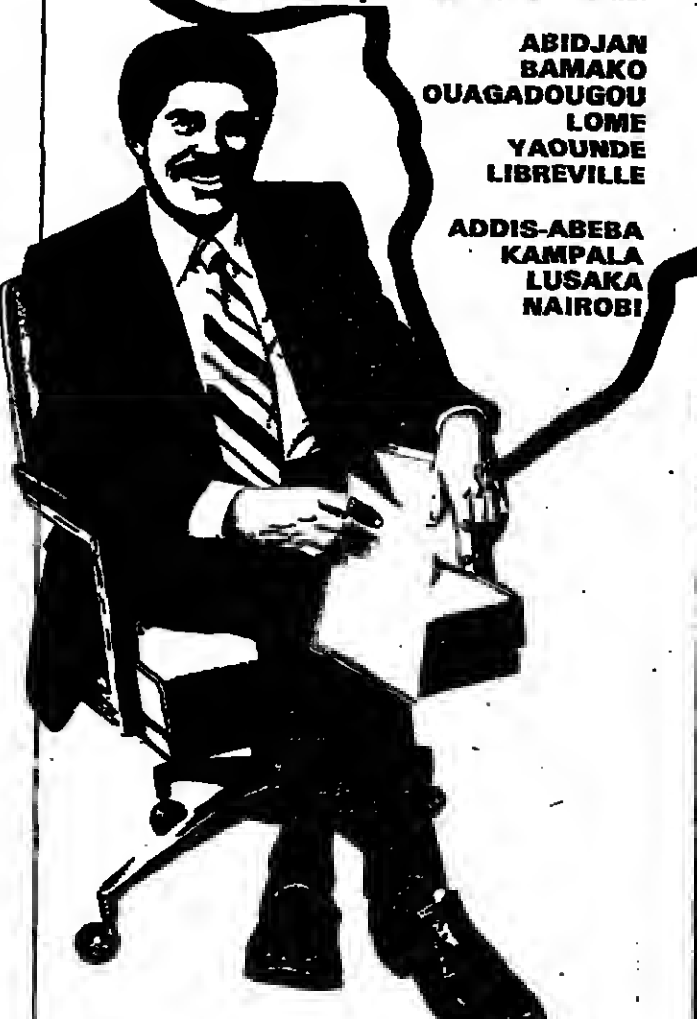
SITRAM

SOCIETE IVOIRIENNE DE TRANSPORT MARITIME

B.P. 1546 ABIDJAN - Tëlex 596-2254 SITRAM Téléphone 32.18.68 - 32.41.24

LEASING IN AFRICA?

Yes! Since 1969, we know the growing equipment market in West Africa. We have the biggest network of offices in Africa. To sell your equipment in this area, we feel that you need to talk to us.



ABIDJAN
BAMAKO
OUAGADOUGOU
LOME
YAOUNDE
LIBREVILLE

ADDIS-ABEBA
KAMPALA
LUSAKA
NAIROBI

TAW INTERNATIONAL LEASING

Main Office:
PO Box 20393 ABIDJAN
IVORY COAST
TEL. (225) 22.58.65
TELEX TAWLEASE 472

Mining in Most Areas Is Hampered by Conflicting Priorities

By David Creffield

FREETOWN, Sierra Leone (IHT)—Of the world's mineral resources, approximately one-third are in Africa — with a substantial part in West Africa. Yet, in spite of this latent treasure, the countries boasting these minerals remain among the poorest in the world.

Mining has still to have a significant effect on the grass-roots poverty of all the mineral-rich countries of West Africa, even Nigeria. A major factor behind this is the lack of investment in mining.

In the wake of the slump in commodity prices and raw materials since their 1974 peak levels, many of these countries have seen the need to transfer their investment emphasis to agriculture because of their inability in many cases to feed themselves and because of the high cost of imported foodstuffs.

At the same time there is a clear recognition that it is not agriculture but rapid industrialization that holds the key to economic independence from the developed world.

This fundamental conflict of priorities aggravates the individual problems that most West African countries are facing in mining.

Smuggling

In Sierra Leone, for example, revenues from diamond mining have slumped. Smuggling on a vast scale has caused the closure of two mines and led to higher operating costs of others. It is estimated that there are as many as 30,000 illicit diamond diggers at work.

Production by the National Mining Co., Diminco, in which the Sierra Leone government has the majority share, fell from 700,000 carats in 1975 to 481,000 carats in 1976 and to 417,000 carats in 1977. The company's profits dropped by \$500,000 in 1977, with exports falling from \$71 million to \$60 million.

"Illicit mining is threatening the very existence of the company and makes the future very gloomy," says the Diminco managing director, Abu Koroma.

In an effort to reduce the losses from smuggling, the government has cut the export tax on diamonds from 7.5 percent to 2.5 percent,

which is expected to all but eliminate the smugglers' incentive.

The government is also issuing more licenses to buyers to create a more open and competitive market.

In addition, price increases permitted by the central selling organization — 15 percent in March 1977 and 17 percent in December of the same year — should cause an upturn in the company's 1978 profits and, more important, create funds for the purchase of new equipment to switch from alluvial to underground mining.

Calculated Risk

Complete re-equipping is necessary for this switchover to the more sophisticated method of extracting the gemstones. It is a calculated investment risk, but dewatering has

already started at Koidu in preparation for the sinking of shafts.

Profit-seeking is not the most urgent motive for the government has to produce a more stable economy. For although the All People's Congress of President Siaka Stevens was given another five-year mandate in Sierra Leone's elections last year, the party has suffered a strong drop in popularity for the first time in 10 years.

Lack of relief for already poor

living standards and the gulf between the lifestyle of the Freetown elite and the rural population are behind the loss of popularity that led last year to student riots and renewed assassination attempts on the president.

Higher productivity in agriculture and greater profits from the mines to pay for development in rural areas are considered crucial if Mr. Stevens' government is to regain its popularity.

Sierra Leone is one of four countries in the Economic Community of West African States (Ecowas) in which mining contributes at least 10 percent to the gross domestic product (GDP), the others being Niger, Nigeria (if oil is included), and Liberia.

High Quality Ore

Liberia is also in trouble with its traditional source of foreign

exchange, iron ore. Iron ore has been crucial to the Liberian economy for more than a decade and is responsible for three-quarters of the country's foreign exchange earnings.

Because of the slump in the world steel market, Liberia is one of those countries desperately seeking other sources of revenue. At the same time, it realizes that the recession will not last forever and is comfortably aware of the huge de-

posits of high quality ore in the country — certainly enough to last until the end of the century in existing mines alone.

The oldest of Liberia's mining companies, the Liberia Mining Co., shut down last year when its Bomi Hills Mine ran out of ore. The remaining three companies have an annual capacity of 23 million metric tons but they are working at only 70 percent of capacity.

These three companies exported a total of 20.5 million metric tons in 1976, worth \$331.6 million. Although not yet released, the figures for 1977 are expected to be well down. Lamco JV (the Liberian-American Swedish Minerals Joint Venture Co.) accounts for more than 60 percent of all the ore mined in Liberia and sells one-third of its production to Bethlehem Steel in

the United States. The other two companies (the National Iron Ore Mining Co. and the Bong Mining Co.) struggle for a share of the shrinking market elsewhere.

The one success story in West Africa is in Niger, where uranium exploitation has caused such an economic boom that the government is seriously contemplating the abolition of basic income tax this year.

Niger's output last year was 2,000 metric tons of the precious mineral, making it the fifth largest producer in the world.

This month Japan's Overseas Uranium Resources Development Corp. began production at the Akouta mine. Output is expected to reach a phenomenal 2,600 metric tons annually, of which Japan plans to import 1,130 metric tons. By 1980, the Akouta mine will be supplying an estimated 10 percent of Japan's requirements for nuclear power.

One drawback is that Niger's uranium deposits are concentrated in the remote and barren mountains areas near the border with Algeria. Mining companies have agreed to join forces to build a road to the mining area. Other routes to open the area further are also being considered.

With the quadrupling of the price of uranium in the last five years, Australia's problems in developing its industry and Canada's export embargo, Niger could at last be set for economic take-off.

For the other mineral-rich countries of West Africa the future is not so rosy. While they remain suppliers, and not processors, of raw minerals to the developed world, they are in the hands of the foreign multinationals. West Africa through the Economic Community of West African States (Ecowas) has recognized the urgency of changing this situation.

At last November's session of the Ecowas Ministerial Council in Lagos, Nigeria's federal minister for economic development, Dr. Awolusi Adewole, said that while African countries had "the outward trappings of sovereignty — a multi-colored flag, a national anthem and an airline," real independence still eluded them.

He pointed out that it is only through mineral extraction and industrialization that this independence will come.

Eight Years After Biafra, Ibos in Business Nationwide

LONDON (IHT)—On May 26, 1967, the then Lt. Col. Chukwuemeka Odumegwu-Ojukwu, military governor of the eastern region of Nigeria, called an emergency meeting of the region's consultative assembly to review the growing strains with Lagos. The next day in Lagos, Gen. Yakubu Gowon proclaimed a state of emergency and announced the division of Nigeria into 12 states, cutting the Ibo heartland of the eastern region into three.

On May 30, Lt. Col. Ojukwu declared the independent Republic of Biafra. Gen. Gowon "dismissed" him from the army and as governor of the east, and the federal government announced that it was taking "clinical action." The Nigerian civil war had begun.

Biafra had some initial successes, but by October 1967 federal forces had captured its capital, Enugu. There followed more than two years of a war of attrition: Britain and the Soviet Union supported the federal government with military equipment; France, Portugal and South Africa supported Biafra. Before the war ended, sharp divisions had been created inside Africa and elsewhere; there were accusations of genocide — never proved — and four African states (Tanzania, Gabon, the Ivory Coast and Zambia) recognized Biafra.

The end came in January 1970 when Gen. Ojukwu handed over power to his chief of staff, Maj. Gen. Philip Effiong, and fled to the Ivory Coast. On January 15, 1970, Maj. Gen. Effiong signed the formal act of surrender at Dodan Barracks in Lagos and the war was over.

Eight Years Later

Now, eight years later, how do the Ibos fare? Perhaps in retrospect the greatest achievement of the Gowon years from 1970 to 1975 will be seen as the policy of reconciliation and rehabilitation to draw the Ibos back into the mainstream of Nigerian life. Such reconciliation was needed, for the civil war was one of the harshest of the century, certainly as far as Africa was concerned. The Ibos and related tribes make up perhaps a quarter of the total population of Nigeria. They are an aggressive, dynamic people who can make an immense contribution to their country.

In February 1976 Nigeria's 12 states were further divided to make a total of 19 and the Ibo Central-Eastern State — the core of what had been Biafra — became two states: Anambra and Imo. By splitting the predominantly Ibo state into two, the government eliminated lingering fears of Ibo domination while at the same time

pleasing the Ibos, whose inter-group divisions are probably as many as those for the country as a whole. Indeed, since the division that was decreed in February 1976 — Gen. Murtala Mohammed had said shortly before he was assassinated that the redrawing of Nigeria into 19 states was final — there has been some Ibo agitation for additional divisions to be made to reflect other differences within the Ibo territory as a whole.

Doubtful

Despite fears elsewhere in Nigeria, Ibo solidarity is a doubtful thing; and the rest of the country

can now look to the future without constantly expecting that the Ibos will try to dominate again. Indeed, in the current preparations for the return to civilian rule the Ibos are not seriously contesting for the main political positions, including the presidency. Their importance will come from their voting strength and the support they can give to the other groups.

There is bound to be bitterness after a long and bloody civil war; yet in Nigeria the federal government was magnanimous in its victory and the Ibos have accepted defeat gracefully and come to terms with the new situation.

Nigerian Oil the Driving Force

(Continued from Page 1) try and in the southwest, Esso is also studying possibilities in Niger. Oil traces have been found near Lake Chad in the south.

More interesting for Ecowas at present are some of the oil spin-offs taking place. In Senegal, for example, two oil-related developments now underway will be vital additions to the economy. The first is the Dakar marine dry dock and ship repair complex which, when completed, will be able to service tankers of up to 500,000 tons. It

should be operational by 1980. Secondly, a new petrochemical complex is being built at Cayar. It is a government project assisted by the Iran State Oil Co. Once the refinery has been completed, plastic, synthetic rubber and fertilizer plants are also to be added to the complex. The refinery will be ready in 1983 and will have an annual capacity to handle 1,250,000 tons.

In Togo, as a direct result of its close relations with Nigeria, another large refinery has been built at

Lome. At an estimated cost of \$525 million, the refinery will be able to handle up to 20,000 bpd. It is being served by a 4.5-kilometer pipeline from six loading arms for tankers of up to 60,000-ton capacity. The refinery, which was built by two British companies, was formally opened by President Eyadéma at the beginning of this year.

Not only will it cater to Togo's needs, but it will produce exports for Niger and Upper Volta.

—G.A.

Co., Emence; Independence Brewery, Umuahia; Modern Ceramics, Umuahia; Aba Textile Mills, Aba. The list goes on.

Ibors

One of the features of pre-civil war Nigeria was the extent to which Ibos were to be found throughout the country. This is again the case today. Ibos are active all over Nigeria: as clerks and artisans in Lagos; as shopkeepers in public relations, advertising and journalism — many owners, managers or editors of magazines are Ibos. They are found in most activities from which money is to be made although much of their former arrogance has vanished; they are more cautious and less ready to flaunt their wealth. In Port Harcourt there is still a great deal of Ibo property abandoned during the war that has not been returned, nor has compensation been paid for it and this perhaps is the most obvious reminder that the Ibos lost the war. They are reluctant, now, to acquire property outside their own states. One result is a boom in construction and building in both Anambra and Imo states, which are competing with each other in development terms — a healthy sign for both the Ibos and Nigeria as a whole.

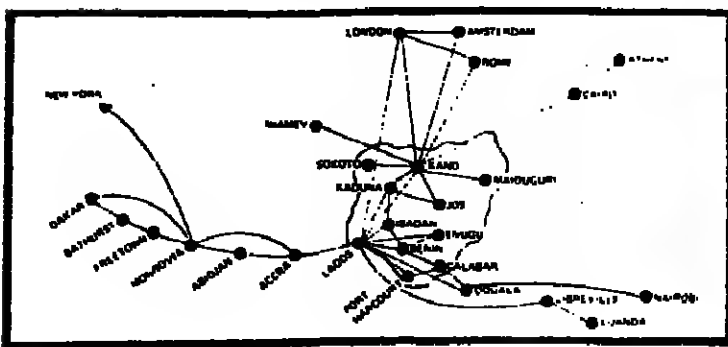
—G.A.



With Nigeria Airways
you make the right connections for business
in Nigeria and West Africa

Step aboard our luxurious DC10 and you are in Nigeria where hospitality is our tradition, our heritage. You'll meet people who want to meet you, want to do business with you. You'll relax in an atmosphere of comfort, friendship and service. And it's so easy to arrange connecting flights

to the major cities in Nigeria and West Africa when you travel Nigeria Airways. There's no better way to travel to Lagos the nerve centre of business in Africa than by Nigeria Airways. Consult Nigeria Airways Booking Offices or your travel agent for full details.



Skypower puts you first
NIGERIA AIRWAYS

NPA

-gateway to the nation's economy

Straddle-Carrier at work, Container Terminal, Apapa Quay.

marching forward with industrial advancement

THE NIGERIAN PORTS AUTHORITY OPERATES FIVE-PORT COMPLEXES

APAPA — quayside draft — 8.23 metres

TIN-CAN ISLAND — quayside draft — 11.5 metres

RIVERS (Port Harcourt) — quayside draft — 7.62 metres

DELTA (Warri, Burutu, Sapele, Koko) — restricted by Escravos bar draft of 4.42 metres chart datum.

CALABAR (Calabar) — restricted by Duke Town Crossing draft of 3.66 metres chart datum.

CARGO HANDLING WITH MODERN FACILITIES

- (i) Portal Cranes of 3.65 and 5.40 tonnes.
- (ii) Gentry Cranes of 5.40 tonnes
- (iii) Quayside Cranes of 10 and 8 tonnes
- (iv) Forklift Trucks — (electrical and diesel) of various capacities
- (v) Industrial Tractors
- (vi) Mobile and Floating Cranes
- (vii) Front-end loaders
- (viii) Straddle carriers

THE NIGERIAN PORTS AUTHORITY 26/28 MARINA, LAGOS, NIGERIA.

الرياض ١٤٠١

Multilateral Sources Supply Foreign Aid

(Continued from Page 1)

some \$8 million for cotton, port development and other projects.

Economic Miracle

The economic miracle of the Ivory Coast, the most influential Francophone member of Ecowas, has been constantly boosted by France, with whom the country has maintained close relations since independence. There are now more than 45,000 Europeans living in the country — more than four times the figure at the time of independence — and a quarter of these are expatriates, that is, French technical assistance personnel doing overseas work in lieu of national service. In addition, the Ivory Coast receives substantial aid from a variety of Western sources.

When President Carter visited Africa earlier this year — the first visit to the continent by a U.S.

When President Carter visited Africa earlier this year — the first visit to the continent by a U.S. president — he went to Liberia from Lagos. Although it was only a courtesy call to one of Africa's smallest countries, the visit reflected the fact that Liberia has the longest standing relationship with the United States of any African state.

president — he went to Liberia from Lagos. Although it was only a courtesy call to one of Africa's smallest countries, the visit reflected the fact that Liberia has the longest standing relationship with the United States of any African state.

The nation's economy is now doing quite well and its external debts are in a good deal better shape than that of most African

countries. In 1976, Liberia launched its first National Development Plan. The major sources of outside capital for this will be the World Bank, the United Nations Development Program (UNDP) and U.S. AID.

Mali is one of Africa's poorest countries and was badly hurt by drought in the Sahel. It is now concentrating on large-scale agricultural development plans, for which it

is receiving substantial aid from the World Bank and the EEC. Mali's total aid from all sources in 1977 came to \$240 million. Even though a large proportion of this was in the form of grants, the country faces an increasing problem of debt servicing.

Neighboring Mauritania is better off than Mali. Although it has a variety of mineral deposits, world prices are stagnant, and its foreign

indebtedness is steadily rising. It can expect reasonable financial help from the more conservative Arab countries, such as Saudi Arabia, but it has had to abandon some development projects recently because of lack of financing.

Senegal, one of the more economically sound countries, receives substantial aid from France, the EEC and the World Bank and is undertaking a series of large projects. In this respect it is similar to Togo, which also receives substantial EEC aid. Ninety percent of its exports go to EEC members, while they provide 70 percent of Togo's imports. In February 1977, for example, the EEC provided funds for a railway to link Lome with Tabligbo, where a clinker factory complex is being built.

Upper Volta has the unfortunate distinction of being the poorest country in Africa, although major developments are now under way to exploit its manganese reserves, which are of high quality. Funds from West Germany, Japan, France, the African Development Bank and the EDF have been committed to Somitam, a government company that is to develop the manganese. Otherwise the main source of foreign aid is France, which provides some essential subsidies.

Finally, in a reverse situation, Nigeria has now become a modest though important aid donor for some of its neighbors. This policy started in the early 1970s under Gen. Yakubu Gowon. A number of Francophone states have received Nigerian aid. They include Chad, Benin, Togo and Niger, which used to rely upon subventions from France to help their budgets. Four countries affected by drought in Sahel — Mali, Mauritania, Upper Volta and Senegal — received grants from Nigeria. Although the government has not released figures, the amounts are estimated to have come to approximately \$7.9 million. Nigeria is now increasing its aid in other directions.

Most of the members of Ecowas look to the West in terms of trade and historic ties as well as for aid. The pattern is changing, however, as Nigeria assumes a new role as donor.

Guy Arnold has written several books on Africa, including the recently published "Modern Nigeria."

Ecowas Moves Toward Economic Unity

(Continued from Page 1)

Nigeria's dominance and had stood out for a wider community including Zaire, signed the treaty.

Non-Aggression

Ecowas held a summit meeting this year in Lagos at the end of April and made its first purely political decision when it passed a protocol of non-aggression. The 16 states (including the Cape Verde Islands) agreed not to attack each other and to recognize existing borders as definitive. This unusual move seems to have been prompted by the fears caused by the Ethiopian-Somali dispute on the other side of Africa. It was also designed to avoid recurrence of border hostilities such as that between Mali and Upper Volta in 1974 and the disputes between Benin and Togo that have frequently closed borders and disrupted communications.

But Ecowas' main objectives are economic, as the Lagos summit demonstrated by concentrating on such issues as the lowering of customs tariffs, convertibility of currencies and the freedom of movement of workers.

Observers say a fundamental

Observers say a fundamental problem for Ecowas is that the creation of a common market will most likely attract capital and enterprise to the richest urban centers at the expense of the poorer (mostly landlocked) states.

problem for Ecowas is that the creation of a common market will most likely attract capital and enterprise to the richest urban centers at the expense of the poorer (mostly landlocked) states. As customs barriers are lowered, the countries with the biggest and most efficient industries will benefit at the expense of their weaker neighbors.

Customs

Another problem is that most Sahelian states (those immediately south and west of the Sahara desert) are almost entirely depend-

ent on customs and excise duties as the principal sources of government revenue. The Ecowas solution has been to set up a Fund for Cooperation, Compensation and Development. It has already been set up, with headquarters in Lome, the capital of Togo. Its job will be to compensate the poorer countries as they lose customs revenue to the richer countries. The main donors to the compensation fund are certain to be Nigeria, Ghana, the Ivory Coast, Liberia and Senegal. Most of the other countries will be net beneficiaries.

A shining example of economic

unity has already been given to Ecowas by the two small states of Liberia and Sierra Leone. In October 1973, they set up the Mano River Union. A customs area with a common external tariff was instituted in April 1977, and the two nations are working on joint projects in communications and industry. Both countries now have a common tariff on all but a few controversial categories of goods, such as automobiles, on which Liberia levies low, and Sierra Leone very high, tariffs.

Sacrifice

Adjustment meant considerable sacrifice on the part of both Sierra Leone, from the point of view of customs revenue, and Liberia, which had to increase tariffs and create some inflation. But the effort was apparently considered worthwhile.

The complications of readjustment among 16 highly disparate countries are obviously far more problematical, but the Mano River partners have shown the larger community (in which they are also members) how much a pragmatic, step-by-step approach can achieve.

The safest, fastest and least expensive port on the West African coast, crossroads and service center of the Atlantic, pivotal point of the fishing industry and of African tourism serving four continents, the port of Dakar, opened in 1864, offers the advantages of the longest experience and the most modern equipment.

PORT AUTONOME DE DAKAR

A deep-water port with more than 540 acres of sea surface, 30,000 feet of quays and 75 acres of warehouse and uncovered storage area, accessible in all seasons, day and night, it accommodates ships drawing up to 33 feet of water.



Bd de la Liberation - BP 3195 Dakar
Tel 238-06 - Telex 406 SG
Cable address PORCOMER DAKAR

publinter

NIGERIA, The Economic Community of West African States... Is a Comprehensive MARKET to the Industrial WORLD

Get into it through the people who know it — THE ASHAMU GROUP OF COMPANIES

We are proud that we know the geography and the market potential of the area in which we operate. Backed by twenty-five years of varied business experience in Nigeria, our companies are located at various towns, cities and state capitals of Nigeria.

Today, the group consists of twelve major companies specializing in a wide variety of activities ranging from large scale farming and food processing, to manufacturing, mining, shipping, transportation, management and consultancy service.

The group also undertakes general bulk supply and distribution covering plant and machinery, general goods, building materials, industrial explosives, chemicals, pharmaceutical products and petroleum.

As a truly Nigerian company, the ASHAMU GROUP is playing a vital role in the economic growth of Nigeria. Apart from its extensive investment in the country, it is providing direct employment and training opportunity for several thousand staff and benefiting the community at large.

Again as THE ASHAMU GROUP believes in regional co-operation through economic efforts, they are now expanding their activities to cater to countries of the Economic Community of West African States (ECOWAS).



Ashamu Group Headquarters

E. O. ASHAMU & SONS (HOLDINGS) LTD. OKE-AFA/ISOLO ROAD,
P.O. BOX 377, MUSHIN, LAGOS STATE, NIGERIA.
Telephone Nos: OKE-AFA OFFICE: 41998, 48715, 48718, 42554, 46827.
MUSHIN OFFICE: 47698, 46878. Telex No: 21578 ASHAMU NG.

Ivory Coast Shipping Minister: 'Our Liberation Is Via Sea'

ABIDJAN, Ivory Coast (IHT) — With West Africa's most comprehensive shipping policy, the Ivory Coast is setting a trend in giving the region a far greater say, and eventually share, in the sea transportation of its foreign trade.

Since 1974, Lamine Fadika, the Ivory Coast's 36-year-old shipping minister, has laid the basis for expanding Ivorian control over all aspects of its seaborne trade, while actively campaigning for similar policies on the regional level.

"Trade accounts for two-thirds of our gross domestic product (GDP)," he explains. "A total of 94 percent is transported by sea, and we spend about \$1.2 billion, or 13 percent of our GDP on freight — over 90 percent paid to foreign shipowners. Freight rates add an average of 9 percent to the prices of our exports and 14 percent to prices of our imports — but account for over 25 percent of our investment costs."

"Foreign shipping lines, with French shipowners playing a preponderant role, do not try to adapt their activities to our needs. Many practices forced on us are highly abusive. Most ships leave our ports partly empty, and shipowners try to recoup by pushing up freight rates. The present 40 percent surplus of ship space over supply of cargo is costing us some \$120 million a year."

"This excessive dependence makes us powerless to run our economy."

Mr. Fadika's response has been to launch an ambitious fleet expansion program, set up a series of state-controlled companies to supply shipping services previously provided almost entirely by foreign firms and sign cargo-sharing pacts with Belgium, West Germany and France (further pacts with Italy and Spain are under negotiation). The pacts allocate 40 percent of Ivorian trade to each signatory and 20 percent to third flags. The minister expects to eventually reduce the Ivory Coast's maritime transportation costs by about 30 percent.

Code of Conduct

The Ivory Coast was one of the first of the 25 developing countries to ratify the 1974 UN Code of Conduct for Liner Conferences, voted through by developing countries and the Soviet bloc but not supported by Western nations, apart



Lamine Fadika, right, the Ivory Coast's shipping minister.

from Belgium, France, West Germany, Japan, Spain, Turkey and Australia. For lack of ratification by developed nations, the code has not yet entered into force.

But the Ivory Coast is determined to apply the code's provisions. From carrying less than 5 percent of its own 9-million-ton trade a year, it aims at 20 percent overall in 1980 and 40 percent of its imports and exports with Western

Europe, its main trading partner. The state-owned shipping company, Sitrans, is taking delivery of eight 16,500-ton convertible container ships between November 1977 and November 1978, doubling its cargo capacity, while a further 12 vessels of similar capacity are expected to be ordered between now and 1980.

Sitrans handled 647,000 tons in 1976-77, showing a turnover of \$52

million. With its network of 51 agencies in 17 countries, it is already one of Africa's leading shipping lines. This year, service to the United States will be added to its regular runs to Western Europe. Sitrans also has ambitious containerization plans.

The Ivory Coast's only private ship-owning company, Sivomar, was set up last autumn by one of President Felix Houphouët-Boigny's sons-in-law, Simplice Zinzou,

who holds 66 percent of the firm's \$2.3 million capital. The balance is owned by the Danish shipping company, DFDS A/S. Mr. Zinzou expects the fleet of four chartered 16,500-ton cargo ships to be replaced and expanded by its own vessels later.

The six-vessel Comaran Co., 96-percent owned by a French citizen although registered in the Ivory Coast, has residual rights on Ivory Coast cargoes, but may be bought out by the state in a few years.

Sitrans has a controlling stake in SISA (Société Internationale de Consignation) along with leading private operators. A consignee agency, SISA services about 70 percent of ships carrying Ivory Coast trade and aims to become the largest organization of its kind in Africa. SISA also serves as a forum for shipowners to sort out sailing schedules and cargo reserves.

SISA is backed by the powerful Ivory Coast Shippers' Office (Office Ivoirien des Chargeurs, OIC), which works to rationalize and eventually eliminate the space surplus, monitors allocation of cargoes, especially on trades covered by cargo-sharing pacts, and negotiates freight-rate reductions with liner conferences. OIC's director-general, Die Bonao, claims such negotiations yielded cuts worth more than \$100 million in 1977 alone.

Sivom (Société Nationale Ivoir-

enne d'Opérations Maritimes), a maintenance and port operations company, has also been set up by Sitrans. Last year, it handled more than 1 million tons passing through the Ivory Coast's two ports of Abidjan and San Pedro.

Sitrans (Société Ivoirienne d'Ingénierie en Transports Maritimes et en Logistique Internationale) started operations this year as a consulting office for the movement of turnkey industrial installations "ex-works to on site" in the Ivory Coast. In addition, it will aid Ivorian exporters in lowering their export costs. Sitrans' controlling 64 percent stake is accompanied by 6 percent shares held by six forwarding agencies (four French, one Belgian and one Brazilian).

Sitrans' director-general, Francis Alexandre, a Frenchman who previously headed a local company of one of Sitrans' French shareholders, the Rothschild-controlled SAGA, sees a leading role for the company. "Sitrans," he points out, "is charged with consulting on all trade transactions of government offices, state-owned or controlled companies (accounting for most of Ivorian trade) and of private firms seeking state guarantees."

Sitrans subcontracts all actual forwarding operations, with shareholders having preemptive rights in bids for services.

The shipping minister, Mr. Fadika, sees Sitrans as a unique organi-

zation, which will fight against "illicit manipulation," and "imposed prices," considerably reducing Ivorian import and export costs. "For this reason," he adds, "some foreign private interests strongly opposed its creation."

Mr. Fadika hopes other African countries will follow suit, adding that several West African states have set up national shipping lines, shippers' councils and port-handling companies.

It was the Ivory Coast that initiated and hosted the first 20-nation Conference of West and Central African Shipping Ministers, held in May 1975. After adopting a wide-ranging maritime charter, the conference has since met yearly, setting up a series of regional bodies to defend joint shipping interests.

A committee of the West African Union of Shippers' Councils, chaired by the Ivory Coast, regularly negotiates freight rate reductions with liner conferences, while the recently established West African Port Association will be promoting common accounting procedures and commissioning technical studies.

The Association of African Shipping Lines has started to unify ship-owning policies. At the Dakar ministerial meeting in January, it was decided to move towards arrangements for joint orders for ships abroad and for the eventual pooling or regionalization of mem-

ber countries' 40-percent shares. This move could involve leading role for some of West Africa's larger fleets, such as the two Coast's.

A Warning

Mr. Fadika points out that West African shipping lines belonging to "excesses" and a proliferation of national regulations, and "blatant cargo-sharing pacts."

He warns that failure by Western industrial states to ratify the 1974 UN code could soon lead to "excesses" and a proliferation of national regulations, and "blatant cargo-sharing pacts."

Mr. Fadika is deeply concerned by the failure of the European Economic Community (EEC) transportation ministers' meeting this week to agree to a joint community ratification of the code, which would have brought it into force.

"A new international maritime order, fairer to the Third World, can be brought about without industrial states' cooperation. This would be inefficient," he warns. "The UN code cannot come into force, he thinks the next best solution would be regional agreements, i.e., between Africa and the EEC." "Our liberation is via the sea," he concludes.

Nigerian Cement Block Removed and the Ports Shipshape

LAGOS, Nigeria (IHT) — From his office on the top floor of the Nigerian Ports Authority (NPA) on the marina in Lagos, managing director Alhaji Tukur can view a heartening sight that would have seemed impossible three years ago.

He can watch vessels unloading at the extended berths at Apapa with special facilities for container freight. Six new berths will be completed by the end of this year.

He can see midstream unloading by lighters going on at a faster rate than ever before. More ships are now being discharged midstream than on the hard quays.

And through the Lagos heat haze, he can just see the massive new "instant harbor" on Tin Can Island, four kilometers away. It was completed last October in a record-breaking 15 months.

Three years ago it was a different story. Run-down rusty bulks stood bow to stern as far as the eye could see. An average of 400 ships at a time waited off Lagos for berths — 250 of them cement carriers. The supply of cement to Nigeria became a national and international scandal and made millions out of a good number of Nigerians and foreigners.

The average waiting time for ships was between eight and 12 months, a delay of little concern to their owners, who were being paid demurrage at rates of \$1,500-\$6,000 a day. Demurrage payments for the year 1975-76 totaled \$130 million and at one time were running at \$1 million a day.

A number of unscrupulous shipowners recalled vessels from the breakers' yards, filled them with

cement and sent them to Nigeria to cash in on the demurrage racket. On arrival at Lagos, crews were paid off and a skeleton gang was left to carry out day-to-day maintenance during the long and lucrative wait.

Misguided optimism on the part of the regime of Gen. Yakubu Gowon, plus Nigeria's insatiable appetite for development, created the opportunity for the importation of 16 million metric tons of cement. Private Nigerian importers ordered another 4 million metric tons. The entire 20 million metric tons were to be delivered within a year. Yet Nigeria's ports had a capacity of only 2.5 million metric tons a year. The predictable result was chaos and congestion.

Today, with the new berths at Apapa and the "instant harbor" at

Tin Can Island, plus the rigorous implementation of import rules, things are running smoothly. The drop in Nigeria's oil revenues and the resulting constraints on imports also made a major contribution to the decongestion — to such an extent that at the beginning of this year the Lagos port and the Tin Can Island port had more berths available than ships waiting. One significant indication of the dramatic turnaround was that during that time there was only one cement ship in port.

Another factor in the decongestion has been the smoother flow of traffic around Lagos since the opening of the latest phase of a ring-road system constructed by the West German company, Julius Berger, which was also responsible for the Tin Can Island project.

One port official said: "If you had, say, a fleet of 10 vehicles and a warehouse at Ikeja (airport) 15 miles away, you used to find that each vehicle could only make the journey from the port once a day because of the traffic go-slow. Now, because of the smoother flow of traffic, the same vehicle can make the same journey twice or even three times in one day."

Although the congestion in the port itself has been cleared, congestion in port sheds and warehouses had been a serious problem until very recently when unclaimed goods were auctioned off at giveaway prices by the NPA, much to the delight of traders from nearby Ajegunle — "jungle city."

The Nigerian harbor authorities have also had to solve another

problem — the high level of thieving, particularly by canoe-loads of pirates who paddle in for night attacks on vessels at anchor waiting to unload. The incidents have been numerous. The International Chamber of Shipping, representing the companies of 28 nations, is threatening to order a boycott on Nigeria unless its authorities act quickly.

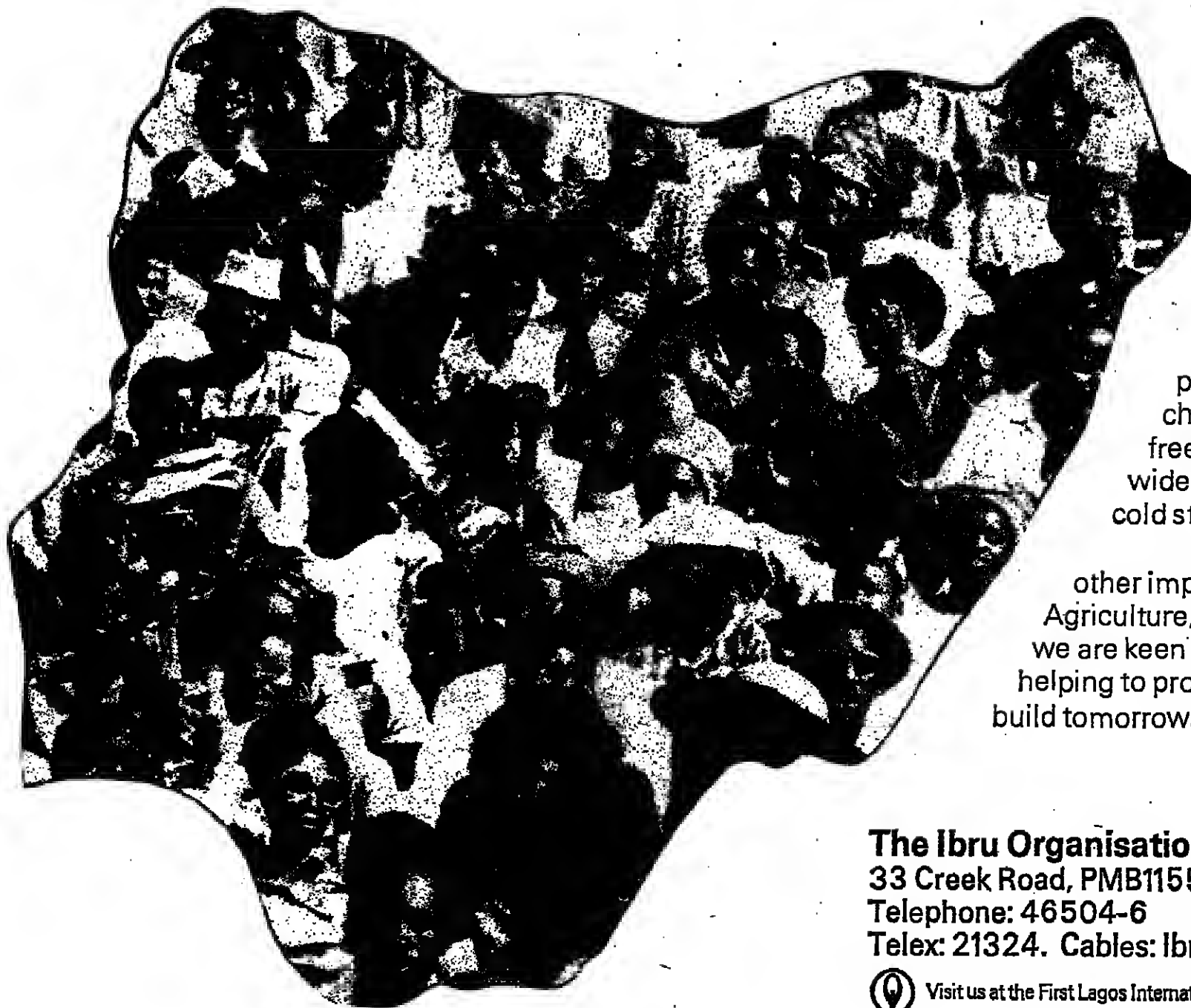
The modern-day pirates, who are always heavily armed, first drew international attention in mid-November when the captain of the Danish freighter Lindiger Ivory was killed and his body thrown overboard. All 14 of his crew members were injured in the attack. A week later, a pirate gang raided the Spanish vessel Josefin, injuring the captain and several crewmen. In December, the pirates stormed a

Soviet ship. But the Soviets, already shot at seven invaders, radioed the Nigerian authorities that "some bodies appeared floating in the harbor." They steamed away without unloading the ship's cargo.

The next attack was on the ship, African Dawn, waiting almost 100 other vessels to unload cargo for the Lagos Trade Fair. The raiders were frightened off the captain ordered a 24-hour watch throughout the 32-day stay for docking space and during 22 days required for unloading.

The Nigerian government blamed the attacks on foreign then ordered several raids on villages around Lagos in an effort to stamp out the piracy. Numerous attacks have occurred since

Moving ahead with people in mind



Today's efforts are building tomorrow's Nigeria, and the Ibru Organisation is proud to be able to make a major contribution to those efforts.

Over the years we have grown from a small trading company into one of the leading business operations in Nigeria, but we have kept in mind one basic fact — progress is about people.

We started with fish, and fish means protein. To bring this protein to the people cheaply, we pioneered a modern fishing and freezing industry in Nigeria, and to make it widely available we built up a comprehensive cold storage and distribution network.

From this sound base we have moved into other important areas of activity; areas like Agriculture, Healthcare, Housing and Education and we are keen to pursue our role in today's Nigeria by helping to provide people with the basics they need to build tomorrow's Nigeria.

The Ibru Organisation
33 Creek Road, PMB1155 Apapa, Lagos
Telephone: 46504-6
Telex: 21324. Cables: Ibru Lagos

Visit us at the First Lagos International Trade Fair

IBRU

Foreign Bonds

NOTICE FOR OPENING BIDS

NOTICE FOR INTERNATIONAL TENDERS

STEG (Equipment Division),

The deadline for opening the bids is set for Wednesday, September 6, 1978, at the head office of the company, 38 Rue. Kemal Atatürk, Tunis, Building G. Offers may reach the above address no later than Tuesday, September 5, 1978, at noon.

Tender files may be withdrawn no later than Wednesday, August 9, 1978.

By reading across this table of the July 28, 1978 's closing inter-
foreign exchange rates, one can find the value of the major curren-
in the national currencies of each of the following financial cen-
These rates do not take into account bank service charges.

By reading across this table of the July 28, 1978 's closing inter-
foreign exchange rates, one can find the value of the major curren-
in the national currencies of each of the following financial cen-
These rates do not take into account bank service charges.

	2.2515	2.2428	108.23	50.49	1.3628	85.07	123.23	
American								
Bonded (C)	32.335	0.18175	15.9646	7.35	183.1	14.267	18.26	
London (C)	1.977						1.343	
1.977		3.827		4.035	1.621	0.2495	0.10	3.8935
1844.35		44.015	61.92		30.705	54.21	248.0	
1844.35					5.2085		67.6	
1.1253	1.3314	85.87353	39.9645		20.385	74.725	5.4395	31

The following are Dollar values as quoted on the London exchange market: Deutsche Mark 1.537; Ecuador 45.67; Israeli E. 17.215; Peseta 77.183; Schilling 14.775; S. Korea 2.526; Singapore S. 2.277; Canadian C. 88.385 U.S. cents.

(*) Commercial Paper, (**) Units of 100, (**) Units of 1000 (**) Units of 10000 (**) Amounts in millions of U.S. dollars.

any one pound.

European Company for the Financing of Railroad Rolling Stock

**Third annual redemption instalment of
Dfis. 50,000,000.—5¾% bearer Notes
of 1972 due 1976/1979**

In accordance with drawing effected on July 10, 1978 pursuant to the Terms and Conditions, notes belonging to Redemption Group No. 2 will be redeemed on and after September 1, 1978

Paying Agents:
**Amsterdam-Rotterdam Bank N.V., Algemene Bank
 Nederland N.V., Bank Mees & Hope NV and Pierson
 Heldring & Pierson N.V., in Amsterdam; Banque
 Générale du Luxembourg S.A. in Luxembourg and
 Deutsche Bank AG in Frankfurt am Main.**

Notes belonging to Redemption Group No. 3 will be redeemed on and after September 1, 1979.

Bank Stock Quotations

(Closing Prices
of the week's trading.)

[illegible]

**ASK FOR IT EVERY DAY.
EVERYWHERE YOU GO.**

International Herald Tribune
We've got news for you.

5/15/44

The Shrinking Candy Bar Syndrome**Downsizing: Now Less Is More**

By A. Kent MacDougall

Check time on United Airlines' flights used to mean a sandwich, beverage and peanuts. No more. Six months ago United eliminated the peanuts, thereby saving \$200,000 a year.

"And that's not peanuts," a United official says.

A number of airlines are saving millions by packing more passengers into the coach sections of their planes. United has reduced seat width by 1.3 inches in many planes, added one seat per row in jumbo jets and reduced the distance between rows by two inches in many smaller jets. These changes began months before the recent round of fare discounts and, unlike those discounts, they have not been protested.

In putting a slight squeeze on their customers, the airlines are also doing what more and more companies in many industries are doing—reducing the quantity and quality of goods and services in order to cut costs, boost profits and keep prices in line.

Known variously as "downsizing," "packing to price" and "the shrinking candy bar syndrome," these reductions have a common theme: The consumer gets less for his or her money. The hidden inflation that this constitutes does not show up in the government's consumer price index, but it nonetheless affects a growing list of consumer goods and services.

Cars Shrink

Automobiles are shrinking at the time that their prices are rising. Houses are built less sturdily of lower-grade materials. Whiskies have been watered. Warranties on cars, tires and television sets are less than they used to be. Wine comes in smaller bottles, ovenspeak pages are smaller, paper towels and toilet tissues contain fewer sheets per roll. And a quarter pig in a jukebox brings forth a single song or two, compared with two songs several years ago and a generation ago.

That the quarter doesn't pay for many plays is hardly surprising, but inflation and the downsizing of U.S. coinage. Before Congress moved silver from coins in 1965 to 1970, the coins were approaching the point where their metallic value was worth more than their purchasing power. But only a fool a hobbyist would bother to melt down today's coins, whose content is predominantly copper. The value of the metal in a quarter, for instance, is just nine tenths of one cent.

Even a dollar coin is worth only

3.8 cents melted down, and it will be worth even less if Congress heeds a recent Treasury Department request to downsize the dollar coin's weight by 64 percent.

In following the government's lead, businesses are generally countering little consumer assistance. This acquiescence results partly from lack of awareness. "Once you have developed trust in a product, you don't reread the label every time you buy," notes an aide to Rep. Benjamin Rosenthal, D-N.Y., whose "Consumer Food Labeling Bill" would require manufacturers and packagers to prominently label even small reductions in weight or volume.

Liquor illustrates the phenomenon. Over the last four years most domestic distillers have been putting less alcohol and more distilled water in their whiskey and gin.

'Many whiskeys that used to be bottled at 86 proof have been lowered to 80 proof (40% alcohol). Most gins have dropped from 90 proof to 80.'

Many whiskeys that used to be bottled at 86 proof have been lowered to 80 proof (40 percent alcohol). Most gins have dropped from 90 proof to 80.

This has saved the distillers ingredient costs and 15 to 21 cents a fifth in federal taxes. Prices have generally stayed the same. The only public announcement has been an inconspicuous label change, and consumers have barely noticed.

"It was a way to raise the price without telling the consumer about it," allows Alan Levine, marketing director of Fleischmann Distilling Co. Fleischmann reduced the proof of its gin along with competitors, but it bucked the industry in holding its blended whiskey at 90 proof. It has called attention to this in newspaper ads aimed at drinkers who value more belt for the buck. One ad starts off by asking, "Are you the last to know they changed the proof of your whiskey?"

Buyers' Choice

Companies that downsize usually justify the practice by pointing out that prices of their products haven't kept pace with inflation and that many customers would rather get less than pay more. The Federal Trade Commission corroborates

this second conclusion. In surveying consumers several years ago, FTC attorney Earl Johnson said, it found that "a lot of people would prefer to purchase less for the same price than purchase the same quantity for a higher price."

Automobiles are perhaps the most conspicuous example of downsizing. Goaded by federally mandated fuel economy standards, the auto industry is busy chopping down and lightening cars to achieve better gasoline mileage. But those smaller, lighter cars are costing more and more.

General Motors downsized most of its full-sized cars with the 1977 models and most mid-sized cars with 1978 models, making them as much as six inches narrower and 18 inches shorter, and from 550 to 1040 pounds lighter.

Once-standard double floors, consisting of a subfloor under a stained and varnished hardwood floor, are giving way to single floors, often less stiff and less strong. Many times these consist of a plywood or particle-board subfloor under tile or carpeting.

"Occasionally we hear a complaint about a little door rattling across the [single] floor and rattling the china in the cabinet," says Neal Pinson, director of technical services for the Western Wood Products Association. "The solution is to put the cabinet on a different wall."

Smaller Pages

Many magazines in recent years have cut postage, paper and printing costs by reducing their page size. McCall's, Ladies' Home Journal, Esquire and others with large formats are now the same size as Time and Newsweek. Many pictures are thus smaller and often less dramatic.

Newspapers also are shrinking. Four years ago the Los Angeles Times reduced its page width by 3/4 of an inch and the Wall Street Journal by 1 1/4 inches. Dozens of other newspapers followed suit. All saved newsprint, but they also spent

heavily to modify pressroom equipment. Advertisers took it on the chin. This was particularly true at newspapers that not only shrank their page but also changed their format to squeeze one more column of classified advertising onto each page—typically, ten columns of classified ads instead of nine.

Construction Cuts

The government has taken a similarly parsimonious view of downsizing in another crucial industry, home construction. Over the years the Federal Housing Administration, other government agencies and local building codes have relaxed many requirements, permitting home builders to use cheaper materials and methods.

Such substitutions include dry wallboard instead of wet plaster, particle board instead of plywood, aluminum wiring instead of copper, plastic pipe instead of copper or cast iron, gravel footing instead of concrete, and wood foundations instead of concrete or cinder block. Lighter roof shingles and thinner stucco siding are also common, as are hollow-core doors and tiny hardware.

Not only are floor joists and wall studs smaller (lumber was downsized in 1976), but they are also fewer and further between. Joists and studs are often spaced 24 inches apart rather than the traditional 16 inches.

Once-standard double floors, consisting of a subfloor under a stained and varnished hardwood floor, are giving way to single floors, often less stiff and less strong. Many times these consist of a plywood or particle-board subfloor under tile or carpeting.

"Occasionally we hear a complaint about a little door rattling across the [single] floor and rattling the china in the cabinet," says Neal Pinson, director of technical services for the Western Wood Products Association. "The solution is to put the cabinet on a different wall."

Same Size Can

While sugar still comes in one-pound packages, plenty of other supermarket items weigh an ounce or two less than they used to. Two years ago Procter and Gamble Co. reduced the contents of three sizes of a spray deodorant—from 14 ounces to 12, nine ounces to eight and six ounces to five—without changing the price or the size of the cans they came in.

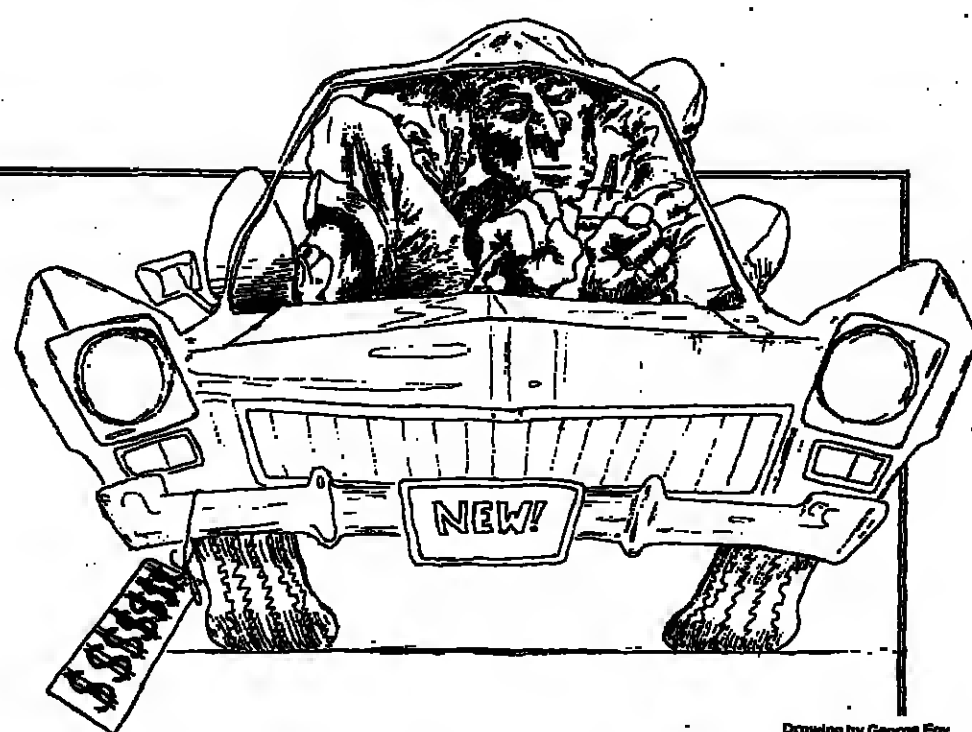
Procter and Gamble also downsized its paper towels, from 75 sheets per roll to 60, and its toilet paper, from 650 sheets to 500. Prices stayed the same in both cases. P and G points out that the sheet reductions took place at the same time that the towels and tissues were reformulated to make them more absorbent and fluffier.

Among other supermarket items, snack foods are frequently downsized to keep their prices from getting too high. For instance, shoppers have shown such resistance to paying more than 99 cents for potato chips that producers generally prefer to cut contents rather than exceed that price.

Candy Problem

Candy bars have a different problem. Their prices go up in increments of five cents. So when ingredients and other costs rise, but not enough to justify a five-cent price increase, the candy bars are downsized instead. If ingredients costs decline sharply, as has also happened, they may even be made larger.

Over the last 25 years Hershey Foods Corp. has increased the weight of its basic milk chocolate bar six times and decreased it 11 times. It also has raised the price three times. The net effect: five per-



Drawing by George Foy

cent more chocolate for 300 percent more money.

To make downsizing less obvious and to spare candy manufacturers the bother of reprinting wrappers for each weight change, the National Confectioners Association (but not Hershey) proposed several years ago that the manufacturers be permitted to stop printing weight information on labels of candy bars weighing two ounces or less. The proposal prompted an outcry from

for the convenience of smaller portions is also evidenced by Campbell Soup Co.'s new "Soup for One" line. The eight varieties of semi-condensed soup for one on the market are more watery than Campbell's regular condensed soups and weigh about one-fourth less. Yet consumers sometimes pay more for them.

Cigarettes provide another interesting case. The low-tar brands that are winning increasing consumer

after customers complain of other problems. "We bring downsizing to the customer's attention after he has complained about fading color or poor installation," says Anthony Apollaro, Suffolk Consumer Affairs Commissioner.

Insurers also have, in effect, downsized auto collision and comprehensive coverage by raising the deductible limits. Instead of paying nothing or the first \$50 of each claim, policyholders are increasingly being asked to pay \$100 or \$200. The rationale is that inflation has made the old limits obsolete.

Some insurers have been unilaterally increasing the deductible limits on all policies as they come up for renewal. They generally insert a notice that the old level of deductibility can be restored with payment of an additional premium. And predictably, reduced coverage has not prevented auto insurance rates from continuing to rise sharply.

Warranties on television sets commonly cover picture tubes for two years and other parts for one year. But several manufacturers have reduced the warranty on labor from one year to 90 days. A spokesman for one of these, General Electric Co., says "more reliable solid-state technology has reduced the amount of service, but paperwork remains a cost. We would rather reduce the warranty somewhat and keep the price of the set down."

But at least the packing of people into smaller spaces must have a limit. Six-footers suffered on airliners even before leg room was reduced. Imagine the anguish of the broad-of-beam in the new 17-inch-wide seats. Before another round of downsizing will work, it seems clear that people will have to be downsized too.

* Los Angeles Times

'Procter and Gamble reduced the contents of three sizes of a spray deodorant . . . without changing the price or the size of the cans they came in.'

consumer protectionists. Los Angeles City Attorney Burt Pines called it a "step toward deceiving customers." The proposal got nowhere.

U.S. conversion to metric measurements is providing new downsizing opportunities. Consider wine and liquor. The 1.75-liter liquor bottle that is replacing the half-gallon holds 4.8 fewer ounces. Yet most wines and liquors that have switched to metric bottles have not changed in price.

Metric Break

Some other metric sizes give consumers the break. For instance, a liter contains 1.8 ounces more than a quart. But these sizes are being phased in more slowly. The premium that shoppers pay

acceptance generally are priced the same as regular full-strength brands, yet they typically contain less tobacco. The puffed-up tobacco in them takes up as much space as the tobacco in regular brands but weighs less.

Some downsizing is downright deceptive. Take carpets. Carpet samples in stores sometimes are thicker and heavier than the carpet actually installed in the customer's home. Even if the customer has retained a swatch of what he ordered and compares it with the carpet that is laid, he may not detect a difference in pile density and weight. It usually takes a testing laboratory to measure this.

The Suffolk County Department of Consumer Affairs in New York often sends carpets out for testing

Standby Flights: A Terminal Case of Waiting . . . and Waiting

Very Quirk, formerly an editor for Washington Post, is a law student at Georgetown University and is studying a summer law program at Ford University.

By Rory Quirk

EXPORD, England (WP)—Consider yourself lucky. Friends told me. You have to be in London by the end of the month, but it's not a life-and-death matter if you arrive on a Friday instead of, say, a Wednesday. So fly standby. There's an element of the involved, you may not get a seat the first day you try, but such inconveniences are more than offset by the money you'll save. Full fare is \$420; standby is \$87. All you have to do is get out of Washington's Dulles Airport and . . .

Food Loss by Rats, Insects Told to FAO

KUALA LUMPUR, Malaysia, July 30 (UPI)—Six rats can eat an amount of grain that can sustain a human being for a year, the United Nations Food and Agriculture Organization said today.

The organization also said that rats can cause food losses of 10 to 40 percent. Ministers from 25 Asian and Pacific countries and the United States, Britain and France, are expected to attend tomorrow's conference.

New York Increases Penalties For Customers of Prostitutes

ALBANY, N.Y. (NYT)—A bill subjecting the clients of prostitutes to the same penalties as prostitutes and allowing a pimp to be convicted solely on a prostitute's testimony has been signed by Gov. Hugh Carey.

The measure also imposes penalties of as much as 25 years in prison on those who steer children into prostitution and as much as 7 years on those who buy sex from children.

The law, which takes effect Sept. 1, would change the minimum charge for patronizing a prostitute from a violation to a misdemeanor. It would make "johns"—men who patronize prostitutes—subject to the same penalties as prostitutes, and customers would be fingerprinted, photographed and booked upon arrest.

Carl Weisbrod, director of the Manhattan Midtown Task Force, said that he expected the new law to be used in tandem with a \$500,000 grant to the Manhattan District Attorney's office to crack down on pimps.

7:43 a.m.—Pockets of June fog still hang the Virginia countryside as I wheel into the Dulles parking lot and lug my bags toward the Pan Am ticket counter. I'm not exactly sure how the system works. I do know (as the result of an earlier telephone conversation with a Pan Am clerk) that standby fares are processed on a first-come, first-served basis at 1:30 each afternoon, and that standby availability on the 8 p.m. flight fluctuates. Some days chances are "excellent." During peak travel periods, chances may be "nil."

As I enter the terminal, I am unsure precisely how my early arrival will be rewarded (standby processing is, after all, about six hours away) and how my status will be preserved should I duck out for a quick cup of coffee. As I ascend the escalator to the Pan Am ticket counter, I envision a board suspended above the counter, from which I will take a number cementing my position in the coming standby queue. At 1:30, I reason, the ticket attendant will need to do no more than announce the number of available standby tickets, allow the hopeful to line up in numerical order and regretfully inform those

1980 Science Talks Set

BONN, July 30 (AP)—Scientists from the 35 countries that signed the 1975 Helsinki agreement will meet in Hamburg in 1980 for a conference on medical and scientific subjects, it was announced last week.

above the cutoff that they must try another day.

Ha! There is no board. Only a sign on the wall that states:

STANDBY
IS CLOSED TODAY
NO SEATS
AVAILABLE

That, and a piece of paper on the counter bearing the numbers 1 to 9 and nine signatures—belonging, I assume, to the nine seated bodies scattered about the ticket counter area in various states of upright and reclining semiconsciousness.

I am confused. The sign specifies

'I am inches from the line when I hear him call my name. This is not happening, I tell myself. I keep on walking. He calls a second time—louder . . .'

cally says no standby. Yet people have signed the list. And that "list" is a most curious document. No Pan Am letterhead, no flight designation, no instructions—no nothing. It is a most unimpressive, most unofficial-looking list. That does not keep me from signing it.

9:10—The list has swelled to more than 20. (A recent arrival has added a dispiriting three-word mini-biography after his name that reads: "Third straight day.") As each new face enters, I begin to detect a pattern. A look at the sign, perceptible despair. A glance at the list, renewed hope. A quick look at the sleepy and slumbering humanity in the waiting area, boundless faith. The sign is wrong! And we are living proof it's wrong. Why else are we sitting here, staring vacantly into the middle distance? I have asked myself that question. So, apparently, has the original No. 11. She has crossed her name from the list and left.

9:17—We have begun speaking to one another, exchanging pleasantries, rumors (British Airways has no standby on its evening flight, Laker in New York sold out its evening flight within hours); speculation (the sign is wrong,

someone forgot to take it down at the close of business yesterday).

10:00—Pan Am employees begin entering, visible for brief moments before disappearing behind closed doors at the rear of the counter complex. The sign has not come down (bad omen), but the counter doesn't open for another hour (at which time it may be taken down), in an effort to resolve our uncertainty, one of our group has called Pan Am's main reservation and information number in Washington. Busy. Hurry up and wait.

10:21—It's official. British Airways will have no standby tonight.

10:33—The word from New York: Laker is sold out for tonight.

11:30—A Pan Am employee removes the "no standby" sign from the wall. A cow sign now dangles on paper clips attached to the plastic grid shielding the lights above the counter. It reads:

STANDBY
FOR LONDON
SEATS ARE
AVAILABLE
CHECK IN HERE
1:30 P.M. TO 5:30 P.M.

We flock toward the counter. The employee watches us warily. There are, one is sure, high points in his workday, but this obviously does not rank among them. He eyes the polite, straining mob and gives it to us straight. There are some standbys; how many is not yet clear. At 1:30 and not one minute before he will process standby fares, provided we are in a straight, orderly, single-file line. He sights down his extended right arm toward some imaginary spot on the far wall. We dutifully lumber into positions along his invisible line. I am beginning to feel like the young Vito Corleone come to Ellis Island.

Must we stay in line for the next three hours? Some one asks. We have, after all, signed the list and . . . This is obviously the first the employees had heard of my list. No list, he responds, flicking the proffered document. Lists are immaterial. The name of the game is first-come, first-served. The first person in line at 1:30 gets the first ticket.

No list! NO LIST! We (the lower numbers anyway) are beside ourselves. I am panicked. I foresee a tangle of bodies and luggage that will make the disco scenes in "Saturday Night Fever" look placid.

Suddenly, a voice rises above the hubbub. What would happen, the voice asks, if we voluntarily agree to honor the list? The employee ponders for a moment. That, he says, is up to us. How we arrange ourselves is our business. But come 1:30, the first person in line, etc.

A feeling of relief sweeps over the assembly. The crisis has passed. Or has it? What if some now refuse to be bound by the list? As we skulk back toward our baggage, No. 7 begins to speak. We have been abiding by the list for many hours now, she is saying, and we should continue to do so. It is the only fair and democratic thing to do. We must keep trust among ourselves and insure that any new arrivals honor our system. Are we agreed? We are! No. 7 has saved the day. The list is now The List.

Times Reporter**Back in Moscow**

MOSCOW, July 30 (UPI)—New York Times reporter Craig Whitney returned to Moscow today saying that his slander conviction by a Soviet court would not affect his work.

"I look forward to going back to my job," Mr. Whitney said. He said he had "no problems at all" getting through customs. Mr. Whitney left the Soviet Union for the United States on a planned vacation before his July 18 conviction for slander.

He and Harold Piper, of the Baltimore Sun, were convicted for articles they wrote in which they quoted friends of dissidents as saying the televised confession of a convicted Georgian dissident may have been fabricated. Neither Mr. Piper nor Mr. Whitney participated in their trial.

Swedes Develop Safer Vaccine Against Cholera

STOCKHOLM, July 30 (AP)—Swedish scientists have developed a new cholera vaccine that they say is completely nontoxic and gives a better protection against the disease.

Orjan Ouchterlony, professor of immunology at the Swedish Bacteriological Laboratory and one of the men behind the new vaccine, said the vaccine is based on a split in the cholera toxin. "The poison which is secreted by the cholera bacillus, the cholera toxin, has a molecule that consists of two main parts; one toxic—the dangerous part, and one that attaches the molecule to the intestinal wall," Mr. Ouchterlony said.

"We managed to split the cholera toxin molecule so we could develop a vaccine that consists of the [nontoxic] attaching part only. This induces the body to produce an antibody," he said.

Mr. Ouchterlony said that the new vaccine will be tested in Bangladesh next spring. The new vaccine has hitherto only been tested on animals, but with promising results, he said.

We are signatories of the Dulles Compact.

We quickly map our strategy. No. 7 and others will cluster about the counter with The List. From time to time, others will spell them. At no time will the counter be left unguarded.

11:48—A sense of community has set in. We exchange brief biographies. I learn that No. 7 is a dancer slated to appear at a Hyde Park benefit. There is a professor starting on a year's sabbatical, schoolgirl sisters off on vacation, a college student headed for Cyprus. Some of us are going to make it.

11:51—Someone has finally gotten through to Pan Am's main number. To a recording, actually, which advises that all lines are busy. The recording directed the caller to a second number, which activated a second recording advising that standby chances for this evening's flights are "poor." Anxiety increases.

11:55—We are now 28. The most recent arrival has been informed of the system, finds it sensible and signs up. Another crisis averted.

12:00—No. 7 is lining us up. Dominique behind Nicole, Rory behind Moses (the Biblical symbolism is not lost on me), on down the line to No. 15.

12:28—We begin not one minute early, but two.

12:36—My hands are trembling with anticipation as the employee hands me my boarding pass and directs me to a line where I can purchase the ticket of which I'm now assured. I am inches from the line when I hear him call my name. This is not happening. I tell myself. I keep on walking. He calls a second time—louder. I stifle a whimper. The Red Sea is closing before my very eyes. I turn back, my heart in my throat. "Smoking or non-smoking?"

1:55—I am behind No. 7 in the ticket line. She has all but completed her purchase. The ticket attendant is merely verifying her bank credit card. Seven is saying she's always been a believer in Murphy's Law. Until today, that is, but now.

The ticket attendant interrupts. The computer has denied Seven's credit card transaction. Seven is aghast.

12:33—One of our group tells us he has overheard a Pan Am employee say that all 20 standby seats are available. The chosen 20 exit. No. 7 does a victory pirouette. We applaud wildly and shout "Bravo!"

12:35—There are 20 standby seats, alright—on the flight out of Detroit. There will be but 15 out of Dulles. Numbers 16-20 shake their

phone her bank (computer error, it turns out), I complete my purchase and all but crawl from the terminal—6 hours and 15 minutes after my arrival.

The flight is uneventful. We standbys are seated together. A genuine feeling of camaraderie has developed. We are, after all, veterans.

'A look at the sign, perceptible despair. A glance at the list, renewed hope. A quick look at the slumbering humanity in the waiting area, boundless faith.'

heads in disbelief, round up their bags and bid the survivors a fond farewell. "Goodbye Seventeen," someone calls to the last to depart. "Sixteen," he corrects us, ruefully.

1:08—No. 7 says it's time. The 15 survivors circle their baggage around the ticket counter.

1:20—No. 7 is lining us up. Dominique behind Nicole, Rory behind Moses (the Biblical symbolism is not lost on me), on down the line to No. 15.

1:55—I am behind No. 7 in the ticket line. She has all but completed her purchase. The ticket attendant is merely verifying her bank credit card. Seven is saying she's always been a believer in Murphy's Law. Until today, that is, but now.

The ticket attendant interrupts. The computer has denied Seven's credit card transaction. Seven is aghast.

ans of the Dienbienphu of transatlantic flight. As we clear immigration, we say so long. I wish Seven well, tell the schoolgirls to enjoy their trip. I feel like telling them I hope we meet again sometime so we can relive these hours.

Over champagne.

Racism Talks Planned by UN

GENEVA, July 30 (UPI)—The United Nations will hold a "World Conference to Combat Racism and Racial Discrimination" for 11 days next month. Western diplomats already are resigned to the fact that 90 percent of the discussion will center on southern Africa and apartheid.

There is little chance, the diplomats said, of meaningful debate on such human-rights issues as Jews in the Soviet Union, persecution of indigenous Indians in Latin America, tribal slaughters in Africa and the killing of minority populations in Asia.

The United States has made it known that it will not attend the conference or send an observer. When the UN General Assembly three years ago passed a resolution condemning Zionism as a form of racism, the United States declared that it would no longer attend UN meetings on racism until that resolution was annulled.

Norpes 73-86	145		Smith 74-81	91½	92½
Rord 64-86	142		SE 94-87	95	
S D R. 8-86	145		Reed 64-87	87	89
Apel 91-85	105	106	Slater 74-87	70½	
Caltraute 9-89	105	106			

WESTLB INTERNATIONAL S.A.

September 1, 1979:
July 31, 1978



Euromarket

(Continued from Page 9)
port continuing nibbling by institutional investors in discounted bonds on the secondary market, yielding 9 percent or more. If enough momentum builds up, bankers could begin to think about going to reprice the market for mid-rate straight dollar debt. But it is still some time away as the bulk of the cash available for new investment is being parked in short-term money-market instruments awaiting clearer signals of where interest rates and economic conditions are headed.

Bank of Tokyo Venture
And in Singapore, the Bank of Tokyo is selling \$30 million of three-year floating-rate certificates of deposit. Interest will be set at a quarter point over the Singapore interbank offered rate.

Bank of Tokyo Venture
The only offering aimed at the general public is a \$25-million convertible for Coca-Cola Bottling Co. of New York, which is Coca-Cola's largest single franchisee. The 15-year bonds are expected to carry a coupon of 6 1/2 percent and the conversion premium is not expected to be less than 10 percent.

Chase and its lead manager, Westdeutsche Landesbank, argue that rarity value of a top-rated U.S. borrower issuing DM paper justifies the tight conditions. They note that the average life on this paper — 10.8 years — compares favorably with the 10-year life on the

through for Panama, which to date has only borrowed 10-year funds from banks. However, managers estimate that the ability to trade in this paper — which does not exist for pure bank loans — is worth the extra two years.

Bank of Tokyo Venture
Banque Nationale de Paris is making a private placement of \$50 million of floaters in the United States. The five-year notes are being sold in denominations of \$250,000 carrying a coupon set at a quarter point over the mean of the bid and offered Eurodollar rate. To sweeten this yield, which in effect is an eighth of a point over Libor, the paper will be sold at a discount of 99 1/2 or 99 3/4.

Bank of Tokyo Venture
The only offering aimed at the general public is a \$25-million convertible for Coca-Cola Bottling Co. of New York, which is Coca-Cola's largest single franchisee. The 15-year bonds are expected to carry a coupon of 6 1/2 percent and the conversion premium is not expected to be less than 10 percent.

Chase and its lead manager, Westdeutsche Landesbank, argue that rarity value of a top-rated U.S. borrower issuing DM paper justifies the tight conditions. They note that the average life on this paper — 10.8 years — compares favorably with the 10-year life on the

200-million-DM issue recently completed for the World Bank, which is a frequent and regular borrower. The World Bank issue was sold at a discount of 98 with a coupon of 6 percent and lead manager Deutsche Bank is having quite a problem holding the price in the secondary market at 97. Elsewhere it is quoted at 96 1/4.

Chase Notes
Chase's recently completed floating-rate dollar notes, which also carried tight conditions — offering an eighth of a point over Libor — are trading at 98 1/2 after being sold at par.

Also on offer is a seven-year "bullet" (with amortization completed in one step at the end of the seventh year) for Nippon Steel carrying a coupon of 5 1/2 percent. Pricing is expected at around 99 1/4, which is where Deutsche Bank is maintaining the bid on the World Bank's 200-million-DM, six-year notes which were issued at 99 1/4. Unroyal, which is raising \$5 million DM in six-year, 5 1/2 percent notes, is selling its paper at 99.

Norges Kommunalbank's 100 million DM of 12-year, 6 1/2 percent bonds were issued at par last week but ended trading 98 1/2. Priced at par with a conversion premium of 4.4 percent were the 100 million DM of 10-year, 3 1/2 percent convertibles for All Nippon Airways.

Murata Manufacturing will offer 40 million DM of eight-year convertibles expected with a coupon of 3 1/2 percent.

To date, eight other Japanese-DM convertibles are scheduled to be launched: Among these are Asahi Pentax, Fujitsu and Casio.

International Institutions
Eurobond Yields*
Week Ended July 26
(U.S. Dollars)

Market Turnover
Week Ended July 26, 1978
(Millions of U.S. Dollars)

Gold Price
(Continued from Page 9)

the announcement appeared to have had little effect among traders.

On the Chicago Mercantile Exchange, pork bellies moved up from a few cents above life-of-contract lows to score daily limit price gains two days in a row. Reports of diminished fresh and frozen bacon supplies and sentiments that a bullish climate.

Live cattle futures scored midweek price gains on a government report that cattle inventories are down 7 percent from a year ago, from 2 to 3 percent more than traders anticipated.

But the gains were erased late in the week on feelings that the market was oversold, and cattle futures finished 11 cents lower than the previous week's close.

Coffee futures ended an erratic week with 7-cent-per-pound price gains after scoring limit price increases and declines throughout the week, including life-of-contract lows.

Copper futures, although benefiting intermittently from price surges in precious metals, ended the week with slight losses on a report that Sen. William Proxmire, D-Wis., had introduced legislation to prevent the stockpiling of copper in the United States.

Cotton prices scored late-week gains as Northwest Texas cotton, insured to suffer from a drought. Reports that some ranchers would abandon acreage helped to increase prices Friday.



EN ROUTE TO VICTORY — Mario Andretti steers his Lotus into first place and eventually wins the West German Grand Prix at Hockenheim. Teammate Ronnie Peterson from Sweden, trailing Andretti, dropped out because of gear-box trouble. See story on Page 13.

Friday and Saturday Line Scores

SATURDAY								
AMERICAN LEAGUE								
White Sox						Kansas City		
000 000 210-3 Y 2						001 003 000-4 5 8		
011 000 010-3 1 1						Boston		
						000 000 000-0 5 1		
Sorenson, R. Stein (7), McClure (8) and C. Goetz; Lannacsky, V. Cruz (1) and Ashby.						Gale and Porter; Torres and Fisk, W.-Ole,		
Lannacsky, 42, L.-Sorenson, 10-8, HRS.-						12-3, L.-Torres, 15-4, HRS.-Kansas City, F. White (4)		
Theubeaux, D. May (2); Toronto, McAverry,						Seattle		
000 000 000-0 0 0						000 000 200-3 5 8		
001 010 003-4 9 2						Detroit		
						000 000 000-0 0 0		
Colborn House 141, Rome 101 and Shinner;						Colborn House 141, Rome 101 and Shinner;		
Rassano and A. May, W.-Torres, 5-5, L.-Rome,						Rassano and A. May, W.-Torres, 5-5, L.-Rome,		
9-3, HRS.-Detroit, Thompson (22), Whitaker (1)						9-3, HRS.-Detroit, Thompson (22), Whitaker (1)		
000 000 000-0 0 0						000 000 100-2 4 6		
Oakland						000 000 110-4 1 0		
Cleveland								
Broder, Hennerly (7) and Newman, Eason (7);						Broder, Hennerly (7) and Newman, Eason (7);		
Fryfelsen, Sellner (4), Karm (7) and Diaz,						Fryfelsen, Sellner (4), Karm (7) and Diaz,		
G. Alexander (18), W.-Karn, 7-4, L.-Broder, 9-4						G. Alexander (18), W.-Karn, 7-4, L.-Broder, 9-4		
Milwaukee						Milwaukee		
000 100 001 00-3 7 1						000 100 001 00-3 7 1		
(7) Lannacsky						(7) Lannacsky		
Austington, Castro (10) and B. Martinez, C. Moore						Austington, Castro (10) and B. Martinez, C. Moore		
10-1, Jefferson, W. Cruz (1) and Carney, W.-Cruz,						10-1, Jefferson, W. Cruz (1) and Carney, W.-Cruz,		
2-4, L.-Castro, 3-2, HRS.-Toronto, McKoy (2)						2-4, L.-Castro, 3-2, HRS.-Toronto, McKoy (2)		
Minnesota						Minnesota		
100 310 000 3-2 7 1 0						100 310 000 3-2 7 1 0		
New York						New York		
000 201 000 0-5 1 0						000 201 000 0-5 1 0		
(15) Lannacsky						(15) Lannacsky		
Cale, Marshall (1) and Wynnager; Tidrow, Lyle						Cale, Marshall (1) and Wynnager; Tidrow, Lyle		
(5) and Munson, W.-Marshall, 5-4, L.-Lyle, 7-5,						(5) and Munson, W.-Marshall, 5-4, L.-Lyle, 7-5,		
HRS.-Minnesota, Smollett (11), Norwood (5)						HRS.-Minnesota, Smollett (11), Norwood (5)		
Texas						Texas		
500 000 100-9 12 1						500 000 100-9 12 1		
Chicago						Chicago		
000 000 040-5 8 0						000 000 040-5 8 0		
Milwaukee, Lindblad (8) and Sandberg;						Milwaukee, Lindblad (8) and Sandberg;		
Schuefer, Proby (11), Hinton (6), LogRoss (6) and						Schuefer, Proby (11), Hinton (6), LogRoss (6) and		
Mahorovich, W.-Milwaukee, 1-4, L.-Schuefer, 3-5,						Mahorovich, W.-Milwaukee, 1-4, L.-Schuefer, 3-5,		
HRS.-Texas, Bonds 219, L.						HRS.-Texas, Bonds 219, L.		
NATIONAL LEAGUE						NATIONAL LEAGUE		
First Game						First Game		
Philadelphia						Philadelphia		
200 701 020-12 3 14						200 701 020-12 3 14		
Cincinnati						Cincinnati		
000 100 000-0 2 8 1						000 100 000-0 2 8 1		
Larch and Boone; Norman, Burton (4) and						Larch and Boone; Norman, Burton (4) and		
Correll, W.-Larch, 5-4, L.-Norman, 9-4, HRS.-						Correll, W.-Larch, 5-4, L.-Norman, 9-4, HRS.-		
Philadelphia, Schmidt (13), Lutzmidt (12), Marlin						Philadelphia, Schmidt (13), Lutzmidt (12), Marlin		
(4), Cincinnati, Concepcion (4)						(4), Cincinnati, Concepcion (4)		
Second Game						Second Game		
Philadelphia						Philadelphia		
000 000 001-5 2 8						000 000 001-5 2 8		
Cincinnati						Cincinnati		
000 010 100-0 5 2 8						000 010 100-0 5 2 8		
Bench, W.-Seaver, 10-9, L.-Carlton, 9-10, HRS.						Bench, W.-Seaver, 10-9, L.-Carlton, 9-10, HRS.		
Cincinnati, Bench 114, L.						Cincinnati, Bench 114, L.		
First Game						First Game		
Montreal						Montreal		
001 000 000-0 10 0						001 000 000-0 10 0		
Atlanta						Atlanta		
001 001 010-0 10 0						001 001 010-0 10 0		
Rogers, Pirrie (4), Gorman (4) and Carter;						Rogers, Pirrie (4), Gorman (4) and Carter;		
McWilliams, Campbell (5), Garber (7) and						McWilliams, Campbell (5), Garber (7) and		
C. Campbell, 4-3, L.-Pirrie, 10-8, HRS.-						C. Campbell, 4-3, L.-Pirrie, 10-8, HRS.-		
Montreal, Carter (11), Valentini (18), Atlanta						Montreal, Carter (11), Valentini (18), Atlanta		
Herrer 2 (7), Nolan 2 (2)						Herrer 2 (7), Nolan 2 (2)		
Second Game						Second Game		
Montreal						Montreal		
-125 200 010-4 5 8						-125 200 010-4 5 8		
Atlanta						Atlanta		
000 007-0 1 4						000 007-0 1 4		
Schatzeder, Knowles (8), Gorman (19) and						Schatzeder, Knowles (8), Gorman (19) and		
C. Henry, Stoltz (19) and Carter, W.-Carter,						C. Henry, Stoltz (19) and Carter, W.-Carter,		
Schatzeder, 4-2, L.-Hanna, 7-4, HRS.-Montreal						Schatzeder, 4-2, L.-Hanna, 7-4, HRS.-Montreal		
Valentine (19), Atlanta, Matthews (11)						Valentine (19), Atlanta, Matthews (11)		
San Francisco						San Francisco		
002 000 000-9 14 1						002 000 000-9 14 1		
Chicago						Chicago		
200 110 100-0 5 14						200 110 100-0 5 14		
(Competition, extended game to July 30)						(Competition, extended game to July 30)		
Holtick, Curtis (4), Williams (5), Lovelle						Holtick, Curtis (4), Williams (5), Lovelle		
Alkoff (7) and Tompao, Hill (19), Kralovich,						Alkoff (7) and Tompao, Hill (19), Kralovich,		
Hernandez (5), McGuffee (5), Gelati (5), Hout-						Hernandez (5), McGuffee (5), Gelati (5), Hout-		
man (4), Moore (4), Butler (4) and Reeder, C.-						man (4), Moore (4), Butler (4) and Reeder, C.-		
Blackwell (9), W.-Lawrence, 4-7, L.-Adair, 5-4,						Blackwell (9), W.-Lawrence, 4-7, L.-Adair, 5-4,		
HRS.-San Francisco, Clark (17)						HRS.-San Francisco, Clark (17)		
Chicago						Chicago		
000 000 100-1 6 0						000 000 100-1 6 0		
San Francisco						San Francisco		
000 000 000-0 7 8						000 000 000-0 7 8		
Lump and Blackwell; Knepper and Hill, W.						Lump and Blackwell; Knepper and Hill, W.		
Lump, 4-10, L.-Knepper, 11-7,						Lump, 4-10, L.-Knepper, 11-7,		
New York						New York		
000 100 110-0 3 8						000 100 110-0 3 8		
Houston						Houston		
000 000 023-1 1 1						000 000 023-1 1 1		
(15) Lannacsky						(15) Lannacsky		
Kosman, Lockwood (19) and Shearna; Diaz						Kosman, Lockwood (19) and Shearna; Diaz		
Sambora (7) and Eschby, Pyle (7), W.-Sambora,						Sambora (7) and Eschby, Pyle (7), W.-Sambora,		
4-1, L.-Lockwood, 7-9,						4-1, L.-Lockwood, 7-9,		
St. Louis						St. Louis		
001 001 010-0 3 9						001 001 010-0 3 9		
San Diego						San Diego		
000 201 000-0 8 11						000 201 000-0 8 11		
Denny, Schultz (7), Butler (7) and Shinner;						Denny, Schultz (7), Butler (7) and Shinner;		
James and D. Roberts, W.-R. Jones, 9-1, L.-De-						James and D. Roberts, W.-R. Jones, 9-1, L.-De-		
nny, 4-4, HRS.-San Diego, Tenace (2) (12)						nny, 4-4, HRS.-San Diego, Tenace (2) (12)		
Pittsburgh						Pittsburgh		
020 010 000-3 7 7						020 010 000-3 7 7		
Los Angeles						Los Angeles		
000 220 110-0 10 1						000 220 110-0 10 1		
Candelaria, Klott (5), Tekulev (7) and Dye, John						Candelaria, Klott (5), Tekulev (7) and Dye, John		
Forster (18) and Ferguson, W.-John, 12-10,						Forster (18) and Ferguson, W.-John, 12-10,		

Martin Rehired to Manage Yankees in 1980

By Murray Chass

NEW YORK, July 30 (NYT) — Billy Martin, who was hired on Olden's Day yesterday to manage the Yankees, was rehired on Olden's Day yesterday to manage the Yankees in 1980 in one of the most developments in baseball history.

Simultaneously stunning and elating Martin's legions of fans, the Yankees announced that Martin would become the manager again, succeeding Lomon, who succeeded Martin last Monday, when he tearfully and defiantly resigned. Lomon, who will manage the rest of this year and season, who has signed a five-year contract with the Yankees, will see Cedric Tallis, who will return to his previous duties as vice president and director of scouting.

Named as Consultant

Lomon will serve the remaining year and a half of his original three-year contract as a consultant to Lomon and to the team president, Al Davis, the Yankees said. He then will manage under a two-year extension of contract.

His announcement had all the theatrical trappings that George Steinbrenner, the team owner, is so fond of using: it was made on the field at Yankee Stadium before the large Old-Timers' Day crowd.

When Bob Sheppard, the stadium public-address announcer, reached his introduction, he announced — simultaneously with the score — that Lomon would become general manager in 1980. The crowd did not sense what was about to come.

Managing the Yankees in the 1980 season," Sheppard continued, "and finally for many seasons after that will be No. 1."

He did not have to say "Billy Martin." The crowd screamed and roared and rose as Martin ran onto the field from the Yankee dugout.

After seven minutes, the fans cheered, their voices exploding in a new wave of energy each time Martin waved his cap or bowed.

Career Pinacle

It was perhaps the high point of Martin's turbulent life, occurring only days after his nadir. Martin's resignation occurred only 21 hours after

he told newsmen in Chicago, speaking of Reggie Jackson and Steinbrenner: "The two of them deserve each other. One's a born liar, the other's convicted."

On Saturday, standing before many more newsmen in the press room at Yankee Stadium in his Yankees uniform, Martin, who earlier had denied making that statement, said: "I did say it. I don't know why I said it. I was angry at the time. I had no reason to say it and I feel very bad about it. I'm not afraid to admit it."

The incredible turn of events resulted from many conversations, some in person, most on the telephone, among Steinbrenner, Martin and Doug Newton, Martin's agent.

Steinbrenner said that he first thought of rehiring Martin last Monday, when Martin resigned.

"Small Mistake"

"Billy Martin came to me after he had resigned," Steinbrenner said. "What he said to me showed me he was a man who realized he had made a small mistake and it was small in the total picture."

Steinbrenner said that there were times when a person must be understanding and compassionate and "I didn't feel that what happened was right."

He went on to discuss Martin's allusion to his conviction stemming from illegal political campaign contributions, saying that it "was part of life, that's what you live with. It's going to come up again and again and again and I should live with it."

Martin, who had met with Steinbrenner twice during the week, called himself a "free spirit" who would "try to do other things George wants me to do," adding: "Steinbrenner said he's going to try to be a little more free spirit, too."

Limits to Freedom

Neither Martin nor Steinbrenner would answer questions after making their statements, but the office quickly showed that he did not want Martin to be too free.

Riding up to his office on the elevator, Steinbrenner whispered to an aide: "Go stay with Billy and make sure he doesn't say anything."

Many of the Yankees players were as surprised as anyone by the development. But some said that nothing surprises them anymore.

Reggie Jackson, whom many Martin fans saw as the archvillain in the episode, said that he was not surprised, but he also said that he probably would not be playing for Martin again.

"I don't know if I'm going to be here the whole season," said Jackson, who could soon go elsewhere in a waiver deal. "There's a 50-50 chance I won't be here at the end of the season. I think that's very real. That's just my thinking. I hear some of the guys in the front office think it would be in their best interests to have me dealt — and I don't mean a pat hand out of Vegas."

Jackson to Angels?

NEW YORK, July 30 (AP) — Rosen confirmed yesterday that Jackson had been placed on waivers earlier this season but that he "is not on waivers at the moment."

In reacting to reports that Jackson would be dealt to the California Angels in a waiver deal for pitcher Chris Knapp and a regular player to be determined, possibly Nolan Ryan, Rosen said that the periodical placing of players on waivers was routine.

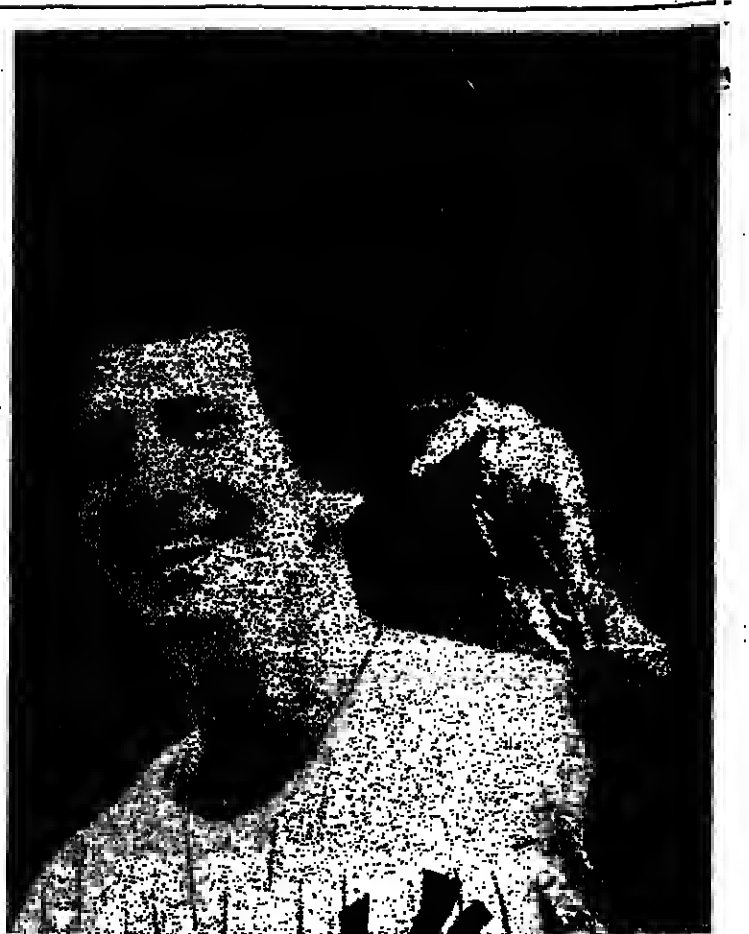
Tom Seaver, a spokesman for the Angels, said that the reports were "absolutely false." He quoted Buzzie Bavasi, the Angels' executive vice president, as saying that "we have no intention of placing Chris Knapp on waivers."

The deal reportedly hinged on Jackson and Knapp clearing American League waivers, agreement on the third player and an understanding on who would pay parts of Jackson's \$2.9-million, five-year contract.

Mel Frank, another California spokesman, speculated on the possibility of Jackson joining the Angels.

"We've got plenty of guys in his pay bracket," he said, "so his payroll won't scare us away. We're having trouble scoring runs. Don Baylor's the only real power guy we've got. That's where the interest in Jackson is coming from. He may be overrated and all that but he can hit the ball."

"It would be a perfect winter deal. You could just swap one for the other without having to pass waivers."



Billy Martin dons his cap to cheering crowd after announcement that he will return as manager of Yankees in 1980 season.

Rose Ties for 2d in Streak Hitting

CINCINNATI, July 30 (AP) — Pete Rose tied for second place in the National League in hitting streaks yesterday by extending his streak to 100.

Joe DiMaggio — with the 56-game streak in 1941 — is the longest streak since 1900.

His performance left him tied with Bill Dahlen, who had a 42-game streak in 1894. Wee Willie

had a 42-game string with glove in 1897. Rose's performance yesterday left George Sisler's streak in 1922 in its wake.

His streak in the first, second and fourth innings, marked the time during the streak that he had 14 that he has hit safely

times in one game. It seems like all the games in book when I've got a hit in the time up, I've gone on to get maybe three hits for the

Rose said. "It takes a little heat off when you get a hit at that time."

He said he was fortunate to be able to swing with a 3-0 count in the ninth.

He wasn't able to find his switch-hitting Rose also beat an infield hit off the right of Lomborg, and then singled after off left-hander Jim Kaat.

Reds went on to defeat the 6-2.

He equaled Ty Cobb's 40-game streak on Friday in the first of a doubleheader, but Philadelphia's Mike Schmidt had four

and Greg Luzinski homered twice to pace the Phillies to a 12-2 victory over the Reds in the first game. Rose hit a double to center in the third inning.

Randy Lench, 5-6, went the distance for Philadelphia.

Rose's one-out single off Steve Carlton in the sixth inning of the second game tied Sisler's record. Rose had been 0-13 against Carlton this year. The Reds won the nightcap, 2-1.

"I've got good momentum swinging from both sides of the plate," said Rose. "I've got an advantage because it's tough to defense a switch hitter."

The three hits vaulted Rose into the top five batting leaders in the National League with a .315 average, and his run in the first inning extended his league lead in that department to 71. He leads the league in hits with 135.

Those are areas that Rose hoped to lead the league when spring training began this year.

"I think anyone should try and lead the league in things they're capable of," said Rose, who also is tied for the league lead in doubles with 31.

During the streak, Rose has 67 hits in 173 at-bats for a .387 average. When he began the streak, he was hitting .267.

At the same time in his 1941 streak, Joe DiMaggio had 62 hits in 162 times at the plate for a .383 average.

twice to pace the Phillies to a 12-2 victory over the Reds in the first game. Rose hit a double to center in the third inning.

Randy Lench, 5-6, went the distance for Philadelphia.

Rose's one-out single off Steve Carlton in the sixth inning of the second game tied Sisler's record. Rose had been 0-13 against Carlton this year. The Reds won the nightcap, 2-1.

"I've got good momentum swinging from both sides of the plate," said Rose. "I've got an advantage because it's tough to defense a switch hitter."

The three hits vaulted Rose into the top five batting leaders in the National League with a .315 average, and his run in the first inning extended his league lead in that department to 71. He leads the league in hits with 135.

Those are areas that Rose hoped to lead the league when spring training began this year.

"I think anyone should try and lead the league in things they're capable of," said Rose, who also is tied for the league lead in doubles with 31.

During the streak, Rose has 67 hits in 173 at-bats for a .387 average. When he began the streak, he was hitting .267.

At the same time in his 1941 streak, Joe DiMaggio had 62 hits in 162 times at the plate for a .383 average.

twice to pace the Phillies to a 12-2 victory over the Reds in the first game. Rose hit a double to center in the third inning.

Randy Lench, 5-6, went the distance for Philadelphia.

Rose's one-out single off Steve Carlton in the sixth inning of the second game tied Sisler's record. Rose had been 0-13 against Carlton this year. The Reds won the nightcap, 2-1.

"I've got good momentum swinging from both sides of the plate," said Rose. "I've got an advantage because it's tough to defense a switch hitter."

The three hits vaulted Rose into the top five batting leaders in the National League with a .315 average, and his run in the first inning extended his league lead in that department to 71. He leads the league in hits with 135.

Those are areas that Rose hoped to lead the league when spring training began this year.

"I think anyone should try and lead the league in things they're capable of," said Rose, who also is tied for the league lead in doubles with 31.

During the streak, Rose has 67 hits in 173 at-bats for a .387 average. When he began the streak, he was hitting .267.

At the same time in his 1941 streak, Joe DiMaggio had 62 hits in 162 times at the plate for a .383 average.

twice to pace the Phillies to a 12-2 victory over the Reds in the first game. Rose hit a double to center in the third inning.

Randy Lench, 5-6, went the distance for Philadelphia.

Rose's one-out single off Steve Carlton in the sixth inning of the second game tied Sisler's record. Rose had been 0-13 against Carlton this year. The Reds won the nightcap, 2-1.

"I've got good momentum swinging from both sides of the plate," said Rose. "I've got an advantage because it's tough to defense a switch hitter."

The three hits vaulted Rose into the top five batting leaders in the National League with a .315 average, and his run in the first inning extended his league lead in that department to 71. He leads the league in hits with 135.

Those are areas that Rose hoped to lead the league when spring training began this year.

"I think anyone should try and lead the league in things they're capable of," said Rose, who also is tied for the league lead in doubles with 31.

During the streak, Rose has 67 hits in 173 at-bats for a .387 average. When he began the streak, he was hitting .267.

At the same time in his 1941 streak, Joe DiMaggio had 62 hits in 162 times at the plate for a .383 average.

twice to pace the Phillies to a 12-2 victory over the Reds in the first game. Rose hit a double to center in the third inning.

Randy Lench, 5-6, went the distance for Philadelphia.

Rose's one-out single off Steve Carlton in the sixth inning of the second game tied Sisler's record. Rose had been 0-13 against Carlton this year. The Reds won the nightcap, 2-1.

"I've got good momentum swinging from both sides of the plate," said Rose. "I've got an advantage because it's tough to defense a switch hitter."



Pete Rose slides home with Reds' first run in third inning of game on Friday.

Hernandez Wins 6th

Rally Puts Chicago Over San Francisco

SAN FRANCISCO, July 30 (UPI) — Ed Putnam, with his first hit since being called up from the minors earlier in the week, yesterday drove in two runs with an eighth-inning single that helped the Chicago Cubs to a 5-3 victory over the San Francisco Giants.

The Giants carried a 3-2 lead into the eighth, when the Cubs loaded the bases off reliever Gary Lavelle, 9-8, with three hits. Manny

Trillo then filed to right off Randy Moffitt, but Greg Gross scored from third when catcher John Tamargo had trouble handling Jack Clark's throw and was charged with an error.

Putnam, hitless in six previous at-bats, followed with a single to left to give Willie Hernandez his sixth win in eight decisions.

Doubles by Bill Madlock and Willie McCovey and an error by Trillo gave the Giants a 2-0 lead in the sixth, but the Cubs tied the score in the seventh on a leadoff home run by Bobby Murcer and an RBI single by pinch hitter Mike Vail. Tamargo's single scored Jim Dwyer with San Francisco's third run in the seventh.

Dodgers 2, Pirates 1

At Los Angeles, Dusty Baker's single with one out in the eighth scored Reggie Smith from second base as Los Angeles beat Pittsburgh, 2-1. It was the Dodgers' fifth straight victory and put them in a first-place tie with San Francisco in the National League West.

Braves 9, Expos 6

At Atlanta, rookie Bob Horner smashed two home runs for the second straight night and Jeff Burroughs added a two-run shot to power Atlanta to a 9-6 comeback victory over Montreal. It was the Braves' sixth victory in seven games for Atlanta and the eighth setback in nine outings for the Expos, who blew a 5-0 lead.

Padres 7, Cardinals 3

At San Diego, Gene Richards hit a two-run home run and pitcher Bob Ojeda turned in another strong performance to lead San Diego to its fifth victory in a row, a 7-3 decision over St. Louis.

Yankees 7, Twins 3

At New York, Fred Stanley squeezed in Craig Rietveld and then scored on Mickey Rivers' double in a two-run second inning, when New York disposed of starter Darrel Jackson, 3-4, and went on to defeat Minnesota, 7-3. Ken Clay pitched the first six innings for New York and raised his record to 2-3. Rich Gossage came on in relief and collected his 15th save, giving him the American League lead in that category.

Red Sox 1, Royals 0

In the American League, at Boston, rookie Jim Wright pitched his third shutout and Boston snuffed a four-game losing streak with a 1-0 victory over Kansas City, despite a five-hitter by Royals' pitcher Dennis Leonard. Boston boosted its lead in the American League East to 5½ games over Milwaukee.

A's 6, Indians 5

At Cleveland, a two-run triple by Mike Edwards and a two-run double by Willie Horton fueled a four-run inning that carried Oakland to a 6-5 victory over Cleveland. Oakland sent eight batters to the plate in the third against Cleveland starter Rick Wise, 8-13. Wise also gave up a solo homer to Mitchell Page leading off the second.

Blue Jays 4, Brewers 3

At Toronto, Alan Ashby scored from third on shortstop Robin Yount's error and Rick Bosetti added a run-scoring single as Toronto struck for two seventh-inning runs to defeat Milwaukee, 4-3. Ashby started the rally with a one-out single and took third on Dave McKay's hit. Yount then booted Sam Ewing's pinch-hit grounder and Bosetti followed with the third hit of the inning.

Twins 9, Mariners 1

At Detroit, rookie Kip Young pitched a four-hitter in his second major league start and Aurelio Rodriguez drove in three runs with a single and double as Detroit beat Seattle, 9-1. The 24-year-old Young, 2-1, walked two and struck out two. Rodriguez's two-run single off loser Rick Honeycutt, 4-6, capped a four-run first inning for Detroit.

White Sox 6, Rangers 2

At Chicago, Jorge Orta hit a two-run homer and two doubles and Larnar Johnson drove in three runs to lead Steve Stone and Chicago to a 6-2 victory over Texas. Orta hit his 13th homer in the first after Thad Bosley singled and Johnson drove in a run in the second with a sacrifice fly.

Angels 2, Orioles 1

At Baltimore, Joe Rodi's single to left drove in Don Baylor with the winning run in the ninth as California defeated Baltimore, 2-1. The run was set up when Baltimore failed to get a double play, and Baylor stole second and went to third on a throwing error by catcher Elrod Hendricks.

Astros 4, A's 2

At Cleveland, Rick Manning hit a tie-breaking, two-out single in the seventh and Jim Kern fired 2½ innings of no-hit relief to spark Cleveland to a 4-2 victory over Oakland. Manning's hit scored Duane Kuiper and chased Oakland starter Pete Broberg, 9-8. Kern, 7-4, became the first American League pitcher this season to bat for himself, striking out in the eighth.

Tigers 4, Mariners 3

At Detroit, Lou Whitaker hit his first major-league homer, a two-out, two-run blast in the bottom of the ninth, to lift Detroit to a 4-3 victory over Seattle. Losing reliever Enrique Romo, 8-3, retired the first two batters in the ninth before yielding a single to Ron LeFlore and a homer to Whitaker. Rusty

pitched two scoreless relief innings. Bill Castro, 3-2, took the loss in relief of Jerry Augustine.

Twins 7, Yankees 5

At New York, Willie Norwood hit his fifth home run of the year in the 10th, scoring Mike Cuddage ahead of him, to give Minnesota a 7-5 victory over New York. Mike Marshall picked up his fifth victory against eight losses. Sparky Lyle, 7-2, took the loss.

Indians 4, A's 2

At Cleveland, Rick Manning hit a tie-breaking, two-out single in the seventh and Jim Kern fired 2½ innings of no-hit relief to spark Cleveland to a 4-2 victory over Oakland. Manning's hit scored Duane Kuiper and chased Oakland starter Pete Broberg, 9-8. Kern, 7-4, became the first American League pitcher this season to bat for himself, striking out in the eighth.

Tigers 4, Mariners 3

At Detroit, Lou Whitaker hit his first major-league homer, a two-out, two-run blast in the bottom of the ninth, to lift Detroit to a 4-3 victory over Seattle. Losing reliever Enrique Romo, 8-3, retired the first two batters in the ninth before yielding a single to Ron LeFlore and a homer to Whitaker. Rusty

pitched two scoreless relief innings. Bill Castro, 3-2, took the loss in relief of Jerry Augustine.

Twins 7, Yankees 5

At New York, Willie Norwood hit his fifth home run of the year in the 10th, scoring Mike Cuddage ahead of him, to give Minnesota a 7-5 victory over New York. Mike Marshall picked up his fifth victory against eight losses. Sparky Lyle, 7-2, took the loss.

Indians 4, A's 2

At Cleveland, Rick Manning hit a tie-breaking, two-out single in the seventh and Jim Kern fired 2½ innings of no-hit relief to spark Cleveland to a 4-2 victory over Oakland. Manning's hit scored Duane Kuiper and chased Oakland starter Pete Broberg, 9-8. Kern, 7-4, became the first American League pitcher this season to bat for himself, striking out in the eighth.

Tigers 4, Mariners 3

At Detroit, Lou Whitaker hit his first major-league homer, a two-out, two-run blast in the bottom of the ninth, to lift Detroit to a 4-3 victory over Seattle. Losing reliever Enrique Romo, 8-3, retired the first two batters in the ninth before yielding a single to Ron LeFlore and a homer to Whitaker. Rusty

pitched two scoreless relief innings. Bill Castro, 3-2, took the loss in relief of Jerry Augustine.

Twins 7, Yankees 5

At New York, Willie Norwood hit his fifth home run of the year in the 10th, scoring Mike Cuddage ahead of him, to give Minnesota a 7-5 victory over New York. Mike Marshall picked up his fifth victory against eight losses. Sparky Lyle, 7-2, took the loss.

Indians 4, A's 2

At Cleveland, Rick Manning hit a tie-breaking, two-out single in the seventh and Jim Kern fired 2½ innings of no-hit relief to spark Cleveland to a 4-2 victory over Oakland. Manning's hit scored Duane Kuiper and chased Oakland starter Pete Broberg, 9-8. Kern, 7-4, became the first American League pitcher this season to bat for himself, striking out in the eighth.

Tigers 4, Mariners 3

At Detroit, Lou Whitaker hit his first major-league homer, a two-out, two-run blast in the bottom of the ninth, to lift Detroit to a 4-3 victory over Seattle. Losing reliever Enrique Romo, 8-3, retired the first two batters in the ninth before yielding a single to Ron LeFlore and a homer to Whitaker. Rusty

pitched two scoreless relief innings. Bill Castro, 3-2, took the loss in relief of Jerry Augustine.

Formula-1 Title Nearer

Andretti Wins German Prix

HOCKENHEIM, West Germany, July 30 (AP) — Mario Andretti took the lead in the fourth lap today and held on after teammate Ronnie Peterson dropped out to win the German Grand Prix and take a big step toward the Formula 1 racing crown.

The Nazareth, Pa., driver covered the 6.78-kilometer Hockenheim ring in 1:28:00.50, for an average of 208.233 kph, and drove his Lotus 79 over the finish line a comfortable 15 seconds ahead of Jody Scheckter.

Jacques Laffite finished third in a Ligier-Matra in 1:28:28.91. Emerson Fittipaldi was third in a Copersucar followed by Didier Pironi in an Elf-Tyrrell.

Three former German Grand Prix champions — Carlos Reutemann, defending world champion Niki Lauda, and James Hunt — fell victim to equipment troubles. Hunt was ordered off the track late in the race when he took an illegal shortcut to have a tire changed.

Andretti, who led Peterson by nine points in the standings going into the race, was never seriously threatened.

The two Lotus drivers, who started the race in the front row, held a 20-yard spread over Lauda after the first lap, and stayed ahead of the field until Peterson pulled into the pits in the 26th lap with transmission trouble. He was back on the track a few seconds later, but had to give up for good during the 38th lap.

Before leaving the race, Peterson bettered the official lap record of 1:55.99, set last year by Lauda. Peterson covered the 8th lap in 1:55.94 and the 26th in 1:55.62.

Scheckter, driving a Wolf-Ford, managed his second-place finish despite a dismal start. Scheckter, who held the 4th starting position, fell back to last place during the warm-up lap, but by the 7th lap had moved to 12th place, and by the 31st he was running third.

Several drivers appeared bothered by the heat, unofficially measured at 33 degrees centigrade in the stands. Alan Jones of Australia, who was running third, had to leave the race after 12 laps because of a high fever.

Andretti, the smallest man on the team at 5-foot-8, 170 pounds, took Mike Mitchell's 41-year punt on his own 28 and ran untouchable through would-be Miami tacklers into the end zone with less than 10 minutes remaining in the annual Hall of Fame game.

Philadelphia, trying to rebound from a 5-9 record last season, scored the go-ahead touchdown on a 19-yard pass from John Walton to Vince Papale, a former track star at St. Joseph's, Pa. It was the first time the Dolphins, 10-4 last season, had failed to score a touchdown in

who was running third, pulled out near the half-way point when the radiator to his Williams overheated.

Fuel problems brought on by the heat forced Ferrari pilot Reutemann to switch to a spare car after the warm-up and he was out of the race by the 12th lap. Lauda, last year's German Grand Prix champion, fell out in the 12th lap with engine trouble.

NASL Cosmos Set Match Against World-Class Stars

By Alex Yannis

NEW YORK, July 30 (NYT) — The Cosmos will be the center of the soccer world's attention on Aug. 30 when the defending North American Soccer League champions face an all-star team of players from around the world.

The Cosmos have invited 40 of the world's top players to participate in the exhibition. The majority of the players invited were stars in the World Cup tournament in Argentina last month.

Sources close to the Cosmos said that 16 European and South American players have accepted the invitation to play at Giants Stadium. None of the players who accepted were from Italy, as the Cosmos have run into a problem with the governing body of soccer in that country. Paolo Rossi, Franco Causio and Roberto Bettega were the Italian players who were invited.

Johann Cruyff is expected to play with the Cosmos in that game and also in another exhibition game on Sept. 9. It is believed that the game Sept. 9 will be against Boca Juniors of Argentina.

The Cosmos were expected to announce their plans regarding Cruyff on Thursday. Cruyff was supposed to watch the Cosmos play the Tampa Bay Rowdies at Giants Stadium tonight, but he will not be there.

Rarely are teams of this stature assembled to play in such a

